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Transcript Exhibit(s) AZ CORP COMMISSION
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Docket #(s): W-1212A-06-0666

W-02451A-06-0666

Exhibit #: A1-A9, S1

Arizona Corporation Commission
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BEFORE THE ARIZONA CORPORATION COMMISSION

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AZ CORP COMMISSION
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COMMISSIONERS

JEFF HATCH-MILLER, CHAIRMAN
WILLIAM A. MUNDELL
MIKE GLEASON
KRISTIN K. MAYES
BARRY WONG

IN THE MATTER OF THE JOINT
APPLICATION OF WATER UTILITY OF
GREATER BUCKEYE, INC. AND
VALENCIA WATER COMPANY, INC. TO
TRANSFER THE ASSETS, INCLUDING THE
CERTIFICATES OF CONVENIENCE AND
NECESSITY, OF WATER UTILITY OF
GREATER BUCKEYE, INC. TO VALENCIA
WATER COMPANY.

Docket No. W-01212A-06-_____
Docket No. W-02451A-06-_____

APPLICATION

Valencia Water Company, Inc. ("Valencia") and Water Utility of Greater Buckeye, Inc. ("Buckeye")(collectively, the "Applicants") request approval to transfer Buckeye's assets, including its Certificates of Convenience and Necessity ("CC&Ns"), to Valencia.

Consolidating Buckeye into Valencia will allow their ultimate parent, Global Water Resources, LLC ("Global") to achieve economies of scale and improved efficiencies that will benefit customers of both systems. In addition, the public interest will be served because Global Water can take optimum advantage of projects like the Hassayampa River Recharge Project as well as other opportunities for conservation, regional planning and integrated services to benefit Buckeye's and Valencia's customers. In support of this Application, Valencia and Buckeye state as follows:

I. Consolidation will promote groundwater conservation and efficiency.

1. Global promotes groundwater conservation through its "triad of conservation" strategy. This strategy involves: (1) reusing reclaimed water; (2) using renewable surface water; and (3) re-charging excess water into the aquifer. Consolidating Buckeye into Valencia will enable Global to further pursue this strategy. In particular, consolidation will help Global promote



1 the use of renewable surface water and re-charge though the Hassayampa River Recharge Project
2 and a related pipeline.

3 2. Consolidation of Buckeye into Valencia will provide economies of scale and
4 improved efficiencies. Global is completing the construction of the Hassayampa River Recharge
5 Project. This project will allow for Central Arizona Project ("CAP") water to flow into the
6 Hassayampa River as soon as the first quarter of 2007. Water would enter the Hassayampa River
7 at an approximate rate of 3,000 acre-feet per month. This recharge facility is also part of a
8 managed underground storage facility to recharge 25,000 acre-feet per year of Colorado River
9 water from the CAP aqueduct over a twenty-year period. A copy of the approval from the Arizona
10 Department of Water Resources ("ADWR") for the storage facility is attached as Exhibit 1.

11 3. The next step is to construct a pipeline from the recovery well fields (twelve miles
12 south of the recharge site) into the Valencia system. With the anticipated growth expected for the
13 Valencia system, this "Pipeline to the Future" or "PTTF" will provide a new water source that will
14 benefit both existing and new customers. Consolidating Buckeye into Valencia best ensures that
15 customers of both Buckeye and Valencia reap the benefits of the recharge project and the PTTF. A
16 copy of the cost analysis to build the PTTF and a map depicting the proposed pipeline route is
17 attached as Exhibit 2.

18 4. Water from the recovery fields delivered through the PTTF is expected to be of
19 high quality. This water will not have to be treated for arsenic, fluoride, nitrate or Total Dissolved
20 Solids ("TDS"). This will result in significant savings for Buckeye and Valencia customers in
21 plumbing costs as well as no need for additional arsenic treatment.

22 5. Buckeye's service territory is in close proximity to Valencia's service territory,
23 enhancing the ability for both systems to benefit from operational synergies and economies of
24 scale from the Hassayampa River Recharge Project and the PTTF.

25 6. Moreover, consolidation of Buckeye into Valencia will allow for other improved
26 efficiencies and economies of scale, because the cost of providing water can be spread across a
27 larger customer base. There is a pressing need for consolidated, regionally-designed renewable

1 water and wastewater service in western Maricopa County. The Hassayampa River Recharge
2 Project and PTTF are examples of Global's efforts to ensure that sustainable growth can occur in
3 western Maricopa County. Consolidating these two entities improves Global's ability to promote
4 groundwater conservation through the triad of conservation. In addition, consolidation will
5 enhance regional planning of integrated water, wastewater, and reclaimed water services.

6 **II. Description of the Applicants.**

7 7. Valencia is an Arizona corporation authorized to provide water service in and
8 around the City of Buckeye, Maricopa County, Arizona. Valencia serves approximately 3,889
9 customers.

10 8. Buckeye is an Arizona corporation authorized to provide water service in and
11 around the City of Buckeye, Maricopa County, Arizona. Buckeye serves approximately 606
12 customers.

13 9. Valencia's and Buckeye's offices are located at 21410 North 19th Avenue, Suite
14 201, Phoenix, Arizona 85027. The main phone number for both water utilities is (623) 580-9600.
15 The Applicants' officers and directors are shown on Exhibit 3.

16 10. West Maricopa Combine, Inc. ("West Maricopa") is the immediate parent company
17 for Valencia and Buckeye, as well as Willow Water Company, Water Utility of Greater Tonopah
18 Inc., and Water Utility of Northern Scottsdale, Inc. West Maricopa's office address and phone
19 number is the same as for Valencia and Buckeye. Its officers and directors are shown on Exhibit 3.

20 11. On July 11, 2006, Global announced one of its subsidiaries acquired 100 percent of
21 the stock of West Maricopa. Global is a recognized leader in water reclamation and reuse,
22 committed to reducing groundwater demand through heavy investment in conservation measures
23 and renewable surface water supplies. Global is also committed to the integrated water, wastewater
24 and reclaimed water systems and is now the ultimate parent of Buckeye and Valencia. Global's
25 main address is 21410 North 19th Avenue, Suite 201, Phoenix, Arizona 85027. Its main phone
26 number is (623) 580-9600. Global's regulated subsidiaries serve more than 30,000 customers in
27 Arizona.

ROSHKA DEWULF & PATTEN, PLC
ONE ARIZONA CENTER
400 EAST VAN BUREN STREET - SUITE 800
PHOENIX, ARIZONA 85004
TELEPHONE NO 602-256-6100
FACSIMILE 602-256-6800

12. Valencia's and Buckeye's CC&N areas are described on maps and legal descriptions already on file with the Commission. A map showing proximity of the two systems is attached as Exhibit 4.

13. The management contact for Valencia and Buckeye is:

Mr. Graham Symmonds
Senior Vice President
Global Water Management
22601 North 19th Avenue, Suite 210
Phoenix, Arizona 85027.
(623) 580-9600.

14. The On-Site Manager for both Valencia and Buckeye is Robert Garcia. The Applicants' field operations and management personnel are located at 201 East Coronado Street, Buckeye, Arizona 85326. (623) 386-4252. Mr. Garcia is also the certified ADEQ operator for both Valencia and Buckeye. Mr. Garcia holds a Level 4 certificate from ADEQ in water treatment and distribution, as well as wastewater treatment and collection. His ADEQ certified operator number is 03993.

15. The Applicants' attorneys are:

Michael W. Patten
Timothy J. Sabo
Roshka DeWulf & Patten, PLC
One Arizona Center
400 East Van Buren Street, Suite 800
Phoenix, Arizona 85004

(602) 256-6100

All data requests or other requests for information should be directed to:

Michael W. Patten
Timothy J. Sabo
Roshka DeWulf & Patten, PLC
One Arizona Center
400 East Van Buren Street, Suite 800
Phoenix, Arizona 85004

1 With a copy to:

2 Mr. Graham Symmonds
3 Senior Vice President
4 Global Water Management
22601 North 19th Avenue, Suite 210
Phoenix, Arizona 85027

5 15. Certificates of Good Standing for both Valencia and Buckeye are attached as
6 Exhibits 5 and 6 respectively

7 16. Applicants propose that the existing rates and charges remain in effect as shown on
8 applicable tariffs on file with the Commission. In other words, customers of Buckeye would still
9 pay existing rates in effect for Buckeye. Valencia would essentially have two divisions.

10 17. The Applicants' balance sheets and income statements for the 12-month period
11 ending December 31, 2005, are attached as Exhibits 7 and 8 respectively.

12 18. All necessary and required notice will be provided by the Applicants. Proof of
13 publication of any such notice will be filed with the Commission in this docket.

14 19. Valencia is authorized to issue up to 1,000,000 shares in common stock. Valencia
15 issued 35,057 shares of common stock on August 10, 1972, which West Maricopa now possesses.
16 Buckeye currently is authorized to issue up to 100,000 shares of Class A (voting) Common Stock
17 and 900,000 shares of Class B (non-voting) Common Stock. Buckeye issued 10,000 shares of
18 Class A stock on August 1, 1983, and 3,500 additional shares of Class A stock on August 1, 1988.
19 West Maricopa owns all of Buckeye's stock.

20 20. All security deposits held by Buckeye will be transferred to Valencia. Valencia will
21 assume any refunding obligations of Buckeye for main extension agreements, and any meter and
22 service line installations.

23 22. Applicants propose to obtain approval to transfer Buckeye's franchise to Valencia
24 within 365 days of the effective date of the Commission Decision approving this application.

25 23. Valencia's Water Use Data Sheet is attached as Exhibit 9.

26 24. Buckeye's Water Use Data Sheet is attached as Exhibit 10.

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1 WHEREFORE, Valencia and Buckeye respectfully request that the Commission:

2 A. Schedule a hearing on this Application as soon as possible; and thereafter

3 B. Issue a final order:

- 4 1. finding that it is in the public interest to transfer Buckeye's assets, including
5 its CC&N, to Valencia;
6 2. ordering that Buckeye's assets and its CC&N be transferred to Valencia;
7 3. granting such other and further relief as may be appropriate under the
8 circumstances herein.

9 RESPECTFULLY SUBMITTED this 16th day of October 2006.

10
11 ROSKA DEWULF & PATTEN, PLC

12 By Timothy J. Sabo
13 Michael W. Patten
14 Timothy J. Sabo
15 One Arizona Center
16 400 East Van Buren Street, Suite 800
Phoenix, Arizona 85004

17 Original + 15 copies of the foregoing
18 filed this 16th day of October 2006, with:

19 Docket Control
20 ARIZONA CORPORATION COMMISSION
21 1200 West Washington
22 Phoenix, Arizona 85007


23 Copies of the foregoing hand-delivered/mailed
24 this 16th day of October 2006, to:

25 Lyn A. Farmer, Esq.
26 Chief Administrative Law Judge
27 Hearing Division
Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007

ROSHKA DeWULF & PATTEN, PLC
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5 Director, Utilities Division
6 Arizona Corporation Commission
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EXHIBIT

"1"

ARIZONA DEPARTMENT OF WATER RESOURCES

500 North Third Street, Phoenix, Arizona 85004

Telephone 602 417-2465

Fax 602 417-2467



JANE DEE HULL
Governor

**RITA PEARSON
MAGUIRE**
Director

May 11, 2001

Mr. John Mihlik
3800 N. Central Ave., Ste. 500
Phoenix, AZ 85012

Re: West Maricopa Combine, Inc. Underground Storage Facility (USF) Permit #71-578112
Water Utility of Greater Tonopah, Inc. Water Storage (WS) Permit #73-578112.0200
Water Utility of Greater Buckeye, Inc. Water Storage (WS) Permit #73-578112.0100

Dear Mr. Mihlik:

Enclosed are the final USF Permit #71-578112 and WS Permits #73-578112.0200 and #73-578112.0100 as referenced above.

Please be aware that in accordance with condition number 7.1. of the USF permit, a pre-recharge inspection of the site must be arranged thirty days prior to the commencement of recharge. Please contact Lisa Gregory at (602) 417-2465 to make this arrangement. Please also contact Lisa Gregory or me, if you have any questions regarding the issuance of these permits.

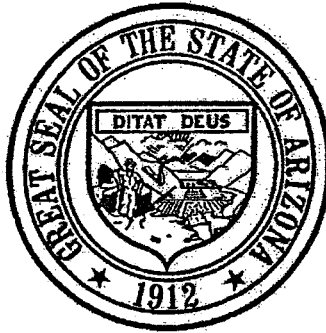
Sincerely,

Virginia O'Connell
Water Resources Specialist

Enclosures

cc: Patrick Schiffer, Legal
Drew Swieczkowski, Hydrology
Evelyn Allegretto, Phoenix AMA
Jim DuBois, ADEQ
Bill Sullivan, Martinez & Curtis

PERMIT 71-578112



ARIZONA DEPARTMENT OF WATER RESOURCES
UNDERGROUND STORAGE FACILITY PERMIT
MANAGED

PERMIT NO. 71-578112

STATE OF ARIZONA)ss.
)
COUNTY OF MARICOPA)

This is to certify that I have determined that Application No. 71- 578112 meets the requirements of Arizona Revised Statutes Title 45, Chapter 3.1, Article 2, for a Managed Underground Storage Facility Permit. The Director hereby grants authority to the West Maricopa Combine, Inc. to operate a managed underground storage facility, subject to the following limitations and conditions:

Permit Limitations

Permittee:

West Maricopa Combine, Inc.
3800 North Central Avenue, Suite 500
Phoenix, Arizona 85012

PERMIT 71-578112

Active Management Area: Phoenix AMA

Subbasin: Lower Hassayampa

Location of Facility: Hassayampa River streambed extending from the SW ¼ of Section 36, Township 4 North, Range 5 West, GSRB&M to the SE ¼ of Section 14, Township 3 North, Range 5 West, GSRB&M. The facility includes a pipeline located in the S ½ of Section 36, Township 4 North, Range 5 West, GSRB&M, extending from a Central Arizona Project Canal turnout to the streambed portion of the facility.

Maximum Storage at Facility: 25,000 acre-feet per annum

Source Water to be Stored: Central Arizona Project

Effective Date: Date of Signature of This Permit

Expiration Date: May 31, 2021

Permit Conditions

1. The facility shall be constructed and operated as specified in the, Revised Hydrologic Report for Managed Underground Storage Facility dated November, 1999, (which is hereinafter referred to as "hydrologic report") which is incorporated in and made a part of this permit.
2. The permittee shall provide all monitoring data in the form of quarterly and/or annual reports as required below:
 - a. The permittee shall provide all monitoring data for the first four years of the project in the form of quarterly reports which shall be submitted to the Arizona Department of Water Resources (ADWR) within forty-five (45) days of the completed quarterly reporting period. The permittee shall send two (2) copies of all quarterly data reports to the Groundwater Management Support Section, Arizona Department of Water Resources, 500 North Third Street, Phoenix, Arizona 85004.
 - b. Pursuant to A.R.S. § 45-875.01 the permittee shall submit an annual data report to the ADWR no later than March 31 following the end of each completed annual reporting period. The first reporting period shall be from the issuance date of this permit through December 31, 2001. Subsequent reporting periods shall be January 1 through December 31. The fourth quarter data report may be combined with the annual data report. The permittee shall send two (2) copies of all annual data reports to the Records Management Unit, Arizona Department of Water Resources, 500 North Third Street, Phoenix, Arizona 85004.

The annual reports shall include a descriptive summary and analysis of the facility utilizing a narrative description, hydrographs, tables and maps. A description of the operation of the facility, total volume of water stored at the facility since the project inception, and any adverse impacts to surrounding land or other water users shall be provided.

3. The quarterly and annual reports shall include all monitoring data pursuant to this permit and as described in the permittee's hydrologic report. Any Deviation from the approved monitoring plan as outlined in this permit shall be documented in the above reports. Approval from ADWR and ADEQ for the monitoring plan deviation and a narrative detailing the change must be included. The reports shall include a minimum of, but not limited to, the following:

a. Water Level(s):

The report shall contain the water level data gathered and reported in accordance with Tables 1 and 2. The water level data shall be presented using tables and/or hydrographs and shall indicate at a minimum, but not limited to, the following: unique well/piezometer identification, ADWR well registration number, cadastral location, measurement date, measuring point description, height of measuring point above (or below) land surface, pumping status of the measured well and any nearby wells, and the water level measurement in 1) feet above mean sea level and 2) feet below land surface.

b. Water Quantity:

The report shall contain the water quantity data for the recharge facility in accordance with Table 3. The water quantity data shall be compiled and presented in monthly summaries including, at a minimum, but not limited to: the month, daily volume of water discharged to the managed recharge facility in acre-feet, wetted area of the facility in acres, and the maximum length of surface flow. The water discharge information shall be compiled daily and aggregated for the month.

c. Water Quality (Groundwater):

The permittee shall report groundwater quality data gathered in accordance with Tables 4, 6, and 7.

d. Water Quality (Source Water):

i. The permittee shall report source water quality data gathered in accordance with Table 5.

ii. The permittee shall report, quarterly, source water quality data gathered in accordance with Table 5 for the CAP water sampled at the Little Harquahala Pumping Plant.

e. Alert Level Exceedance(s):

i. The permittee shall summarize any water level exceedance in accordance with permit

condition 5.a.

- ii. The permittee shall summarize the exceedance of any and all flow meter accuracy requirements and/or failures according to **permit condition 5.b.**
- iii. The permittee shall summarize the exceedance of any Aquifer Water Quality Standard or any Aquifer Water Quality Alert Level in accordance with **permit conditions 5.c. and 5.d.**
- iii. The permittee shall report any storm flows that occur at the facility in accordance with **permit condition 5.e.**

4. Monitoring Provisions:

- a. Monitoring for water level, water quantity, and water quality shall be performed in accordance with **Tables 1, 2, 3, 4, 5, 6, and 7.**

Any well information, such as, ADWR Registration Number, well elevation, well depth, and screened interval shall be submitted before the start of recharge operations.
- b. The permittee shall measure water levels, at a minimum, to within an accuracy of one-tenth (0.1) of a foot for the wells listed in **Tables 1 and 2.**
- c. Surveyed well head elevations for the monitor wells listed in **Tables 1 and 2** shall be obtained before the commencement of recharge activities.
- d. The pressure transducers listed in **Table 1** shall be calibrated quarterly using a steel tape, electrical sounder, or any other ADWR approved method.
- e. The water quality monitor wells listed in **Table 4** shall be sampled for water quality in accordance with standard ADEQ QA/QC sampling protocols.
- f. Dedicated pumps shall be placed in the water quality monitor wells listed in **Table 4** so that the pumping depth is no more than twenty (20) feet below the static water table at the time of well construction.
- g. The water quality of the source water shall be sampled **monthly** from the **Little Harquahala Pumping Plant.**
- h. The Permittee shall use aerial photographs of the recharge facility to determine surface flow and wetted area twice a year during the first four years of operation, annually for the remainder of the project.
- i. The Permittee shall calculate transpiration using aerial photographs and site visits to estimate the area of the riparian zone and a representative transpiration rate for that area. The methodology for calculation of transpiration shall be submitted to ADWR for approval in the first quarterly report.

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- j. The Permittee shall conduct site visits once every two weeks for the first four years of operation and monthly for the remainder of the project to assist in estimating the wetted area of the channel. The width and total length in feet of the surface flow within the boundaries of the recharge facility shall be reported.
- k. The Permittee shall conduct site visits once every two weeks to determine the extent of livestock watering for the first two years of the recharge permit.

If livestock watering is determined to be a significant component of water loss at the recharge facility and annual loss shall be estimated based on an average number of cattle and an average daily watering rate per animal.

- l. Data from the Morristown stream gage on the Hassyampa River shall be examined daily, using the USGS internet site. When surface flows of 500 cfs or greater are recorded, daily site visits shall be conducted immediately upstream of the recharge facility to determine if surface water flow is entering the recharge facility.
 - i. When there is surface water flow immediately upstream of the recharge facility recharge activities shall terminate. Recharge activities may resume once surface water flow has ceased immediately upstream of the recharge facility. The date and time interval in which the recharge facility is non-operational shall be recorded and reported to ADWR.
 - ii. Recharge activities shall be stopped when natural runoff from the watershed surrounding the recharge facility enters into the Hassyampa River channel and the defined managed recharge facility.

5. Alert Levels and Contingencies:

- a. For the monitor wells and piezometers listed in Tables 1 and 2 the water level shall not rise within twenty (20) feet of the land surface. If the water level rises to within twenty (20) feet below land surface, ADWR shall be notified within 48 hours of the exceedance and the following actions shall be implemented:
 - i. A report shall be submitted including at a minimum, but not limited to, the details of the exceedance as to the amount, date, duration, an explanation of the method(s) used to correct the exceedance, and a determination of any unreasonable harm to the land owners or other water users caused by the water level exceedance.
 - i. Project inflow shall be reduced and daily monitoring shall continue in order to determine if water levels stabilize.
 - iii. If water levels remain above the action criteria after two weeks, recharge rates shall be stopped until water levels drop to 20 feet below land surface.
- b. The monitoring equipment listed in Tables 1, 2, and 3 shall continue to function and

accurately quantify flow and water level conditions pursuant to A.R.S. § 45-872.01.

If the measuring devices listed in Tables 1 and 3 fail to perform their designated function (A.A.C. R12-15-905 and 906) for more than 72 hours ADWR shall be notified in writing within seven (7) calendar days. The permittee shall report at a minimum, but not limited to, the monitoring point, type of measuring device, date of the malfunction, amount of time the device failed to properly operate, and an explanation of the method(s) used to correct the failure. When the device is a flowmeter, an estimate of the amount of flow and an explanation of the method(s) used to calculate the estimated amount of flow shall be reported.

- c. The source water delivered to the facility shall meet the Aquifer Water Quality Standards (AWQS) of the State of Arizona, established in A.A.C. R18-11-405 and A.A.C. R18-11-406 except for turbidity and bacteria.

Water quality reports documenting any exceedance shall be submitted both to the ADWR and the ADEQ within five (5) days upon receipt of those reports by the permittee. For CAP source water sampling, an alert level shall be set at the numeric Aquifer Water Quality Standards (NAWQS) MCLs for metals, VOCs, herbicides and pesticides. If a constituent is detected above the alert level, a confirmatory sample shall be obtained within 30 days of receipt of the laboratory results. If results are confirmed, the ADWR and ADEQ shall be notified immediately upon receipt of confirmatory results for mutual consideration of possible contingency actions including: 1) additional confirmatory sampling, 2) analysis to determine the probable source of contaminant, and 3) reduction or curtailment of recharge water until the constituent of concern drops below the alert level. The report shall include at a minimum, but not limited to, the sampling point identification, the constituent, concentration of the constituent(s), date of the exceedance, and results as reported by the laboratory.

- d. Groundwater sampled at the monitor wells listed in Table 4 shall meet the NAWQS of the State of Arizona, established in A.A.C. R18-11-406 for those constituents listed in Tables 6 and 7.
 - i. The water quality monitoring wells listed in Table 4 shall be sampled prior to recharge for the constituents listed in Tables 6 and 7. If any constituent exceeds the NAWQ standard, three additional monthly samples shall be collected. Alert levels will be set for such constituents based upon a mean plus two standard deviations of the ambient data.
 - ii. If a chemical constituent exceeds any Alert Level listed in Table 4 and a second sample confirms the exceedance, the permittee shall analyze water quality and water level data and a report shall be prepared to assess the potential for unreasonable harm to nearby groundwater users. The report shall assess the following: 1) the probable cause of the Alert Level exceedance, 2) the potential for unreasonable harm to nearby water users resulting from the exceedance, and 3) additional contingency actions for approval by the ADWR and ADEQ, if it is determined that operation of the facility resulted in the exceedance. The report shall also include at a minimum, but not limited to, the sampling point identification, the constituent, concentration of the constituent(s), date of the exceedance, and results as reported by the laboratory.

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- iii. If the NAWQS are not met, then upon direction by ADWR and ADEQ, installation of additional monitor wells down gradient of the point of detection may be required.
- e. Surface Water Flow:
 - i. If surface water flow reaches within a quarter mile of the downstream boundary of the recharge facility, the discharge volume shall be decreased to ensure the flows do not leave the facility.
 - ii. If surface water flow reaches beyond the end of the facility, discharge into the facility shall be terminated to ensure that flows do not leave the facility. If flows regularly leave the facility ADWR shall require this permit to be modified.
- 6. Operational Provisions:
 - a. Evaporation Calculation Method:

Evaporation at the site shall be estimated on an annual basis using the methods of Cooley (1970) utilizing the maximum evaporation rating curve.
 - b. The permittee shall not operate the underground storage facility until permittee obtains written consent from all owners of the streambed in which the facility is located, or a court judgment declaring permittee's right to use the streambed for its facility.
- 7. General Provisions:
 - a. Water entering the facility shall be measured in a manner consistent with the requirements and specifications for water measuring devices adopted pursuant to A.R.S. § 45-872.01.
 - b. In accordance with A.R.S. § 45-814.01(G), the Director may modify the conditions of this permit, depending upon the type of water stored at the facility and upon other circumstances.
 - c. The facility shall continue to meet the requirements of A.R.S. § 45-811.01 during operation of the facility.
 - d. No waters other than those waters specified under the permit limitations are authorized for recharge at this facility.
 - e. The issuance of this permit does not waive compliance with any federal, state, county or local government statutes, rules or permits.
 - f. Any changes in the design, operation, and/or monitoring of the facility shall be submitted to the ADWR for approval prior to implementation.
 - g. The facility shall be operated only in conjunction with the applicable Water Storage Permit(s) subject to the conditions set forth within those permit(s).

PERMIT 71-578112

- h. The Director may terminate this permit if permittee does not substantially complete construction of the facility within five years after the effective date of the permit. The Director may, for good cause shown, justify an extension beyond the five year period.
 - i. The permittee shall contact ADWR thirty days prior to the commencement of recharge to arrange a pre-recharge inspection of the site.
 - j. No water may be stored underground at the permitted facility without first obtaining a Water Storage Permit and no stored water may be recovered without a Recovery Well Permit. Further, recovery outside the are of impact of the stored water will be permissible only if the recovery is consistent with the management plan and achievement of management goal for the Phoenix AMA. The current management plan consistency requirements for recovery outside the area of impact of the stored water include proof that the water was stored in a location or manner so as to contribute to the groundwater supplies that are currently being used or could be used in the future.
8. If the permittee changes its Arizona statutory agent during the term of this permit, the permittee shall notify ADWR of the name and address of the new agent within 30 days of the change.

Witness my hand and seal of office this 11th day of
May, 2001.

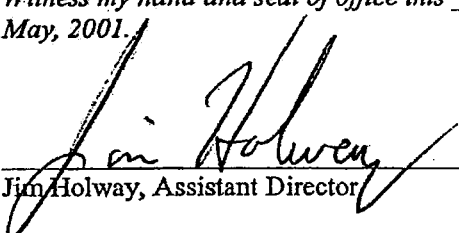

Jim Holway, Assistant Director

Table 1
Water Level Monitoring
(Monitor Wells)

Monitor Point	ADWR Registration Number	Location	Well Depth (feet bls)	Screened Interval (feet bls)	Measuring Device	Monitoring Frequency ¹	Reporting Frequency 1st 4 years next 16 years	Alert Water Level (feet bls)
MW 1	*	B(4-5) 36bab	180	130-170	pressure transducer	daily	quarterly annual	20
MW 2	*	B(3-5) 1acd	180	130-170	pressure transducer	daily	quarterly annual	20
MW 3	*	B(3-5) 11dbb	180	130-170	pressure transducer	daily	quarterly annual	20

* The permittee shall submit to ADWR the ADWR Well Registration Numbers and other pertinent data before the commencement of recharge activities. The final total depth and screen interval for the monitoring wells shall be determined in the field during installation. The screen interval shall cover the span through the site specific depth to water plus and minus 20 feet with the total depth set five feet below the screen interval. The information will be inserted into this table at that time. Any change that occurs in the design of the facility may require a modification of the permit.

¹ The monthly median of the data shall be reported to ADWR as specified in this table.

Table 2
Water Level Monitoring
(Piezometers)

Well Identifier	ADWR Registration Number	Location	Depth (feet bls)	Screened Interval (feet bls)	Well Design	Measuring Device	Water Level Monitoring Frequency ¹	Reporting Frequency 1st 4 years next 16 years	Alert Water Level (feet bls)
PZ 1	*	B(4-5) 36bab	70	30-60	Figure 7-2. ²	sounder	twice a month	quarterly annual	20
PZ 2	*	B(3-5) 1acd	70	30-60	Figure 7-2. ²	sounder	twice a month	quarterly annual	20
PZ 3	*	B(3-5) 11dbb	70	30-60	Figure 7-2. ²	sounder	twice a month	quarterly annual	20

* The permittee shall submit to ADWR the ADWR Well Registration Numbers and other pertinent data before the commencement of recharge activities. Lithologic and hydrologic information gathered during the installation of the associated monitoring well will determine the final total depth and screen interval of the piezometer. The information will be inserted into this table at that time. Any change that occurs in the design of the facility will require a modification of the permit.

¹ The data shall be compiled by month and reported to ADWR as specified in this table.

² This figure is in Revised Hydrologic Report for Managed Underground Storage Facility dated November, 1999

Table 3.
Facility Monitoring

Monitor Point	Measuring Equipment	Parameter	Location	Measurement Device	Monitoring Frequency 1st 4 years next 16 years	Reporting Frequency 1st 4 years next 16 years
*	Flowmeter	Source Water Inflow	Figure 6. ¹	Flowmeter	daily ²	quarterly
On the facility	Aerial Photographs	Wetted Area	N/A	Aerial Photographs	twice a year	quarterly
On the facility	Aerial Photographs	Surface Flow	N/A	Aerial Photographs	twice a year	twice a year
On the facility	Site Visit	Wetted Area	N/A	Site Visit	twice a month	quarterly
					monthly	annually

* The flow meter does not have a separate identifier.

¹ This figure is in Revised Hydrologic Report for Managed Underground Storage Facility dated November, 1999.

² The data shall be totaled by month and reported to ADWR as specified in this table.

Table 4
Groundwater Quality Monitoring

Monitor Point	ADWR Registration Number	Location	Depth (feet bls)	Screened Interval (feet bls)	Monitoring Frequency first 2 years next 18 years	Alert Level
MW 1	*	B(4-5) 36bab	180	130-170	quarterly	Table 5 & 6
MW 2	*	B(3-5) 1acd	180	130-170	twice a year	Table 5 & 6
MW 3	*	B(3-5) 11dbb	180	130-170	annually	Table 5 & 6

* The permittee shall submit to ADWR the ADWR Well Registration Numbers and other pertinent data before the commencement of recharge activities. The information will be inserted into this table at that time. Any change that occurs in the design of the facility will require a modification of the permit.

Table 5
Source Water Quality Monitoring

Analyte	EPA Analysis Method ¹	NAWQS (mg/L)	Sampling Frequency	Reporting Frequency
Field				
pH	field/150.1	NA ²	quarterly	quarterly
Specific Conductance	field	NA ²	quarterly	quarterly
Temperature	field	NA ²	quarterly	quarterly
Inorganic Chemicals				
Alkalinity	310.1	NA ²	quarterly	quarterly
Chloride	300	NA ²	quarterly	quarterly
Fluoride	300	4.0	quarterly	quarterly
Nitrate (as N)	300	10.0	quarterly	quarterly
Sodium	200.7	NA ²	quarterly	quarterly
Sulfate	300	NA ²	quarterly	quarterly
Total Dissolved Solids (TDS)	160.1	NA ²	quarterly	quarterly
Trace Metals				
Antimony	200.9	0.006	quarterly	quarterly
Arsenic	200.9	0.05	quarterly	quarterly
Barium	200.7	2.0	quarterly	quarterly
Beryllium	200.7	0.004	quarterly	quarterly
Cadmium	200.7	0.005	quarterly	quarterly
Calcium	200.7	NA ²	quarterly	quarterly
Chromium	200.7	0.1	quarterly	quarterly
Copper	200.7	NA ²	quarterly	quarterly
Iron	200.7	NA ²	quarterly	quarterly
Lead	200.9	0.050	quarterly	quarterly
Magnesium	200.7	NA ²	quarterly	quarterly
Manganese	200.7	NA ²	quarterly	quarterly
Mercury	245.1	0.002	quarterly	quarterly
Nickel	200.9	0.14	quarterly	quarterly
Selenium	200.9	0.05	quarterly	quarterly
Silver	200.7	NA ²	quarterly	quarterly
Thallium	200.7	0.002	quarterly	quarterly
Zinc	200.7	5.0	quarterly	quarterly

¹ Permittee may use any EPA or State of Arizona approved analysis method for the purpose of measuring a NAWQS or Alert Level (AL) required under this permit as long as the method provides a detection limit

which is lower than the NAWQS or AL specified in this Table for the parameter in question, and otherwise accurately quantifies the concentration of the parameter listed. ADWR reserves the right to determine adequacy of laboratory results based upon the achieved detection limit.

² Not Applicable

Table 6
Groundwater Quality Monitoring
(Inorganics)

Analyte	EPA Analysis Method ¹	NAWQS (mg/L)	NAWQS Alert Level	Sampling Frequency	Reporting Frequency
Field					
pH	field/150.1	NA ²	NA ²	quarterly	quarterly
Specific Conductance	field	NA ²	NA ²	quarterly	quarterly
Temperature	field	NA ²	NA ²	quarterly	quarterly
Inorganic Chemicals					
Alkalinity	310.1	NA ²	NA ²	quarterly	quarterly
Chloride	300	NA ²	NA ²	quarterly	quarterly
Fluoride	300	4.0	3.2	quarterly	quarterly
Nitrate (as N)	300	10.0	8.0	quarterly	quarterly
Sodium	200.7	NA ²	NA ²	quarterly	quarterly
Sulfate	300	NA ²	NA ²	quarterly	quarterly
Total Dissolved Solids (TDS)	160.1	NA ²	NA ²	quarterly	quarterly
Trace Metals					
Antimony	200.9	0.006	0.0048	quarterly	quarterly
Arsenic	200.9	0.05	0.04	quarterly	quarterly
Calcium	200.7	NA ²	NA ²	quarterly	quarterly
Barium	200.7	2.0	1.6	quarterly	quarterly
Beryllium	200.7	0.004	0.0032	quarterly	quarterly
Cadmium	200.7	0.005	0.004	quarterly	quarterly
Chromium	200.7	0.1	0.08	quarterly	quarterly
Copper	200.7	NA ²	NA ²	quarterly	quarterly
Iron	200.7	NA ²	NA ²	quarterly	quarterly
Lead	200.9	0.05	0.04	Quarterly	quarterly
Magnesium	200.7	NA ²	NA ²	quarterly	quarterly
Manganese	200.7	NA ²	NA ²	quarterly	quarterly
Mercury	245.1	0.002	0.0016	quarterly	quarterly
Nickel	200.9	0.1	0.08	quarterly	quarterly
Selenium	200.9	0.05	0.04	quarterly	quarterly

Analyte	EPA Analysis Method ¹	NAWQS (mg/L)	NAWQS Alert Level	Sampling Frequency	Reporting Frequency
Silver	200.7	NA ²	NA ²	quarterly	quarterly
Thallium	200.7	0.002	0.0019	quarterly	quarterly
Zinc	200.7	NA ²	NA ²	quarterly	quarterly

¹ Permittee may use any EPA or State of Arizona approved analysis method for the purpose of measuring a NAWQS or Alert Level (AL) required under this permit as long as the method provides a detection limit which is lower than the NAWQS or AL specified in this Table for the parameter in question, and otherwise accurately quantifies the concentration of the parameter listed. ADWR reserves the right to determine adequacy of laboratory results based upon the achieved detection limit.

² Not Applicable

Table 7
Groundwater Water Quality Monitoring
(Organics)

Analytes	Analysis Method ¹	NAWQS (mg/L)	NAWQS Alert Level	Sampling Frequency	Reporting Frequency
Organic Chemicals*					
Benzene	524.2	0.005	0.004	once	once
Carbon Tetrachloride		0.005	0.004	once	once
o-Dichlorobenzene (o-DCB)	524.2	0.6	0.48	once	once
p-Dichlorobenzene (p-DCB)	524.2	0.075	0.06	once	once
1,2-Dichloroethane (1,2-DCP)	524.2	0.005	0.004	once	once
1,1-Dichloroethylene (1,1-DCP)	524.2	0.007	0.0056	once	once
cis-1,2-Dichloroethylene (cis-1,2-DCE)	524.2	0.07	0.056	once	once
trans-1,2-Dichloroethylene (trans-1,2-DCE)	524.2	0.1	0.08	once	once
1,2-Dichloropropane (1,2-DCP)	524.2	0.005	0.004	once	once
Ethylbenzene (ETB)	524.2	0.7	0.56	once	once
Styrene	524.2	0.1	0.08	once	once
Tetrachloroethylene (PCA or TET)	524.2	0.005	0.004	once	once
Toluene (TOL)	524.2	1.0	0.8	once	once
1,2,4-Trichlorobenzene	524.2	0.07	0.56	once	once
1,1,1-Trichloroethane (1,1,1-TCA)	524.2	0.2	0.16	once	once
1,1,2-Trichloroethane (1,1,2-TCA)	524.2	0.005	0.004	once	once
Trichloroethylene (TCE)	524.2	0.005	0.004	once	once
Total Trihalomethanes (TTHM)	524.2	0.1	0.08	once	once
Vinyl Chloride (VC)	524.2	0.002	0.0016	once	once

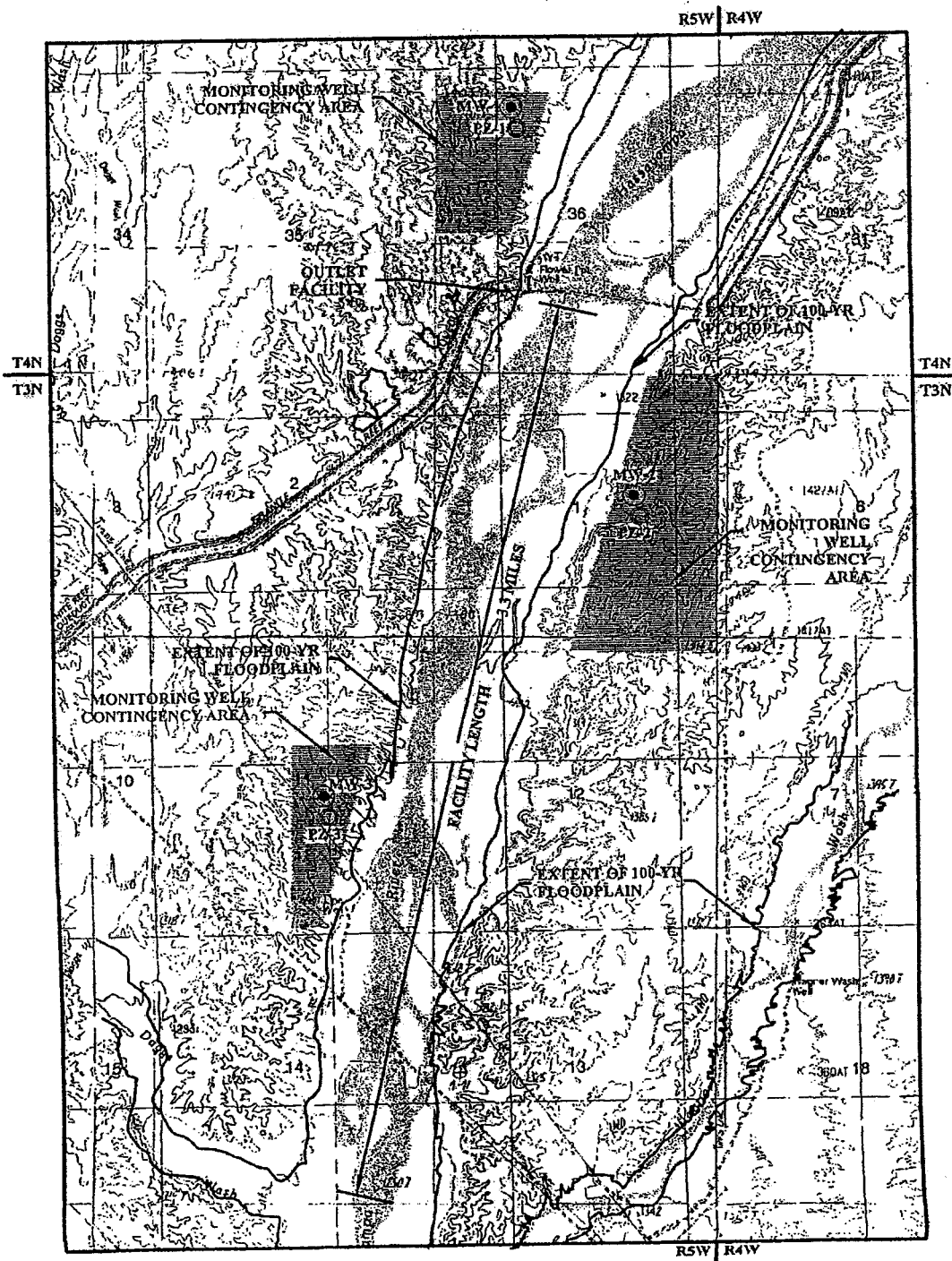
PERMIT 71-578112

Xylenes (XY)	524.2	10.0	8.0	once	once
Herbicides and Pesticides					
Chlordane	508	0.002	0.0016	quarterly ²	quarterly ²
Dalapon	515.1	0.2	0.16	quarterly ²	quarterly ²
2,4- Dichlorophenoxyacetic Acid (2,4-D)	515.1	0.07	0.056	quarterly ²	quarterly ²
Dinoseb (DNBP)	515.1	0.007	0.0056	quarterly ²	quarterly ²
Endrin	508	0.002	0.0016	quarterly ²	quarterly ²
Heptachlor	508	0.0004	0.00032	quarterly ²	quarterly ²
Heptachlor Epoxide	508	0.0002	0.00016	quarterly ²	quarterly ²
Lindane	508	0.0002	0.00016	quarterly ²	quarterly ²
Methoxychlor	508	0.04	0.032	quarterly ²	quarterly ²
Petachlorophenol	515.1	0.001	0.0008	quarterly ²	quarterly ²
Picloram	515.1	0.5	0.4	quarterly ²	quarterly ²
Silvex 2-(2,4,5-Trichlorophenoxy)propionic Acid	515.1	0.05	0.04	quarterly ²	quarterly ²

Organic parameters shall be sampled only once if not detected.

¹ Permittee may use any EPA or State of Arizona approved analysis method for the purpose of measuring a NAWQS or Alert Level (AL) required under this permit as long as the method provides a detection limit below which is lower than the NAWQS or AL specified in this Table for the parameter in question, and otherwise accurately quantifies the concentration of the parameter listed. ADWR reserves the right to determine adequacy of laboratory results based upon the achieved detection limit.

² After one year of operating the facility with no observable adverse water quality impacts, the permittee may request a reduction in constituents sampled for, sampling frequency, or reporting frequency.



WEST MARICOPA COMBINE, INC. - HASSAYAMPA RIVER RECHARGE PROJECT

HUNT-ZOLLARS
 ENGINEERS
 1000 N. GAVIN AVENUE
 SUITE 100
 CHANDLER, AZ 85224
 (480) 948-1234
 FAX (480) 948-1235

DES. DVP.
 DRAW. DVP.
 CHK. FKO
 DATE 11/01/99
 05-1022-01

FACILITY AND MONITORING WELL
 LOCATION MAP

FIGURE 2

EXHIBIT

"2"

Capital Costs Worksheet
Water Utility of Greater Buckeye Only
4,400 ac-ft/yr

Pipeline to the Future - Capital and Operations Costs Worksheet
Valencia and Water Utility of Greater Buckeye Only

Wells			
Capital Cost Estimate			
Item Description	Units	Unit Price (\$)	Extension (\$)
Wells (018)	3	\$400,000	\$1,200,000
Power and Control	3	\$90,000	\$270,000
Permits	3	\$2,500	\$7,500
Power Service to Site	3	\$40,000	\$120,000
Sub-Total			\$1,597,500
15% Contingency			\$239,625
15% Engineering & Admin			\$239,625
Sub-Total			\$2,076,750
Well Site Land	3	\$20,000	\$60,000
Well Budget Estimate			\$2,136,750
Footnotes:			
1) Assume 300 hp @ 750 ft TDH and wire to water efficiency = 65% and Yield = 1000 gpm each.			
2) Normal operating conditions requires 3 of 3 wells in operation per day to meet average demands est at 4,400 ac-ft/yr			

Well Head Piping (New Wells)			
Capital Cost Estimate			
Item Description ⁽¹⁾	Units (ft)	Unit Price (\$)	Extension (\$)
Reach 1 at 12"	10520	\$45	\$473,400
Reach 2 at 14"	2640	\$55	\$145,200
Reach 3 at 12"	200	\$45	\$9,000
Sub-Total			\$627,600
15% Contingency			\$94,140
15% Engineering & Admin.			\$94,140
Piping from wells to storage estimate			\$815,880
Footnotes:			
(1) Reaches 1 through 3 are assumed in County ROW but out of pavement			
Well 3 to be located at Future Storage tank site on Bruener & Van Buren			

Well Head Piping (Existing Wells)			
Capital Cost Estimate			
Item Description ⁽¹⁾	Units (ft)	Unit Price (\$)	Extension (\$)
Reach 1 W. Well to E. Well	7920 8-inch dia	\$35	\$277,200
Reach 2 E. Well to future stg.	6600 12-inch dia	\$45	\$297,000
Sub-Total			\$574,200
15% Contingency			\$86,130
15% Engineering & Admin.			\$86,130
Piping from wells to storage estimate			\$746,460

Capital Costs Worksheet
Water Utility of Greater Buckeye Only
4,400 ac-ft/yr

Storage at Well Field			
Capital Cost Estimate			
Item Description	Units	Unit Price (\$)	Extension (\$)
1 Million Gallon Day Tank ⁽¹⁾⁽²⁾	267900 lb	\$0.70 \$/lb	\$187,530
Booster Station Pumps ^{(3) (4)}	5	\$40,000	\$200,000
Power and Control	1	\$270,000	\$270,000
Power Service to Site	1	\$40,000	\$40,000
Yard Piping	1	\$125,000	\$125,000
Disinfection Facility ⁽⁵⁾	1	\$75,000	\$75,000
Site Security ⁽⁶⁾	1	\$75,000	\$75,000
Sub-Total			\$972,530
15% Contingency			\$145,880
15% Engineering & Admin.			\$145,880
Storage Site Land	1.4 acres	\$20,000	\$28,000
WMC Storage Facility ⁽⁷⁾			\$1,292,289

Footnotes:

- 1) 6 hours storage day tank
- 2) Recirculation pump on tank 400 gpm @ 20ft, 3 hp
- 3) Four pumps to meet peak conditions plus one standby
- 4) Pumps each move 2,226 gpm at 150 ft TDH and 65% efficiency
- 5) Assumes 10 kva power plus chlorine costs
- 6) 900 ft of wall at \$50/ft plus security lighting and landscaping
- 7) Storage site at Bruner and Van Buren Alignment

Transmission Main to RID at Palo Verde Road			
Capital Cost Estimate			
Item Description	Units (ft)	Unit Price (\$)	Extension (\$)
16-inch Transmission ⁽¹⁾	16,871	\$60.00	\$1,012,260
Misc Fittings and Appurtenance	16,871	\$20	\$337,420
Butterfly Valves @ 1-mile interv.	4	\$8,000	\$32,000
Pavement	5,000	\$45	\$225,000
MCFC Crossing	150	\$500	\$75,000
Interstate 10-Crossing	300	\$500	\$150,000
Sub-Total			\$1,831,680
15% Contingency			\$274,752
15% Engineering & Admin			\$274,752
Transmission to RID Estimate			\$2,381,184

Footnotes:

- 1) Installation out of pavement to County Standards

Transmission Main from Palo Verde along RID to Miller Road			
Capital Cost Estimate			
Item Description	Units (ft)	Unit Price (\$)	Extension (\$)
24-inch Transmission ⁽¹⁾	31,680	\$96	\$3,041,280
Misc Fittings & Appurtenance	31,680	\$20	\$633,600
Butterfly Valves	7	\$13,000	\$91,000
Pavement	800	\$45	\$36,000
Sub-Total			\$3,801,880
15% Contingency			\$570,282
15% Engineering & Admin			\$570,282
Transmission to Miller Road Estimate			\$4,942,444

Footnotes:

- 1) Installation meets Buckeye & County standards at road crossings

Capital Costs Worksheet
Water Utility of Greater Buckeye Only
4,400 ac-ft/yr

<u>Summary of WMC Assets</u>	Total Project	Current Project
Wells	\$2,136,750	Portion may be required to meet current demands
Well Head Piping, New Wells	\$815,880	Portion may be required to meet current demands
Well Head Piping, Existing Wells	\$746,460	\$746,460
WMC Storage	\$1,292,289	
Transmission to RID	\$2,381,184	\$2,381,184
Transmission to Miller Rd	\$4,942,444	
Total Capital Cost Estimate	\$12,315,007	\$3,127,644

Summary of Cost to Serve Water Utility of West Buckeye Only

Rehab Existing Wells	\$300,000
Well Piping	\$746,460
Transmission to RID	\$2,381,184
Total Estimated Cost	\$3,427,644

OVERVIEW OF PROJECTED BRUNER ROAD PIPELINE ROUTE

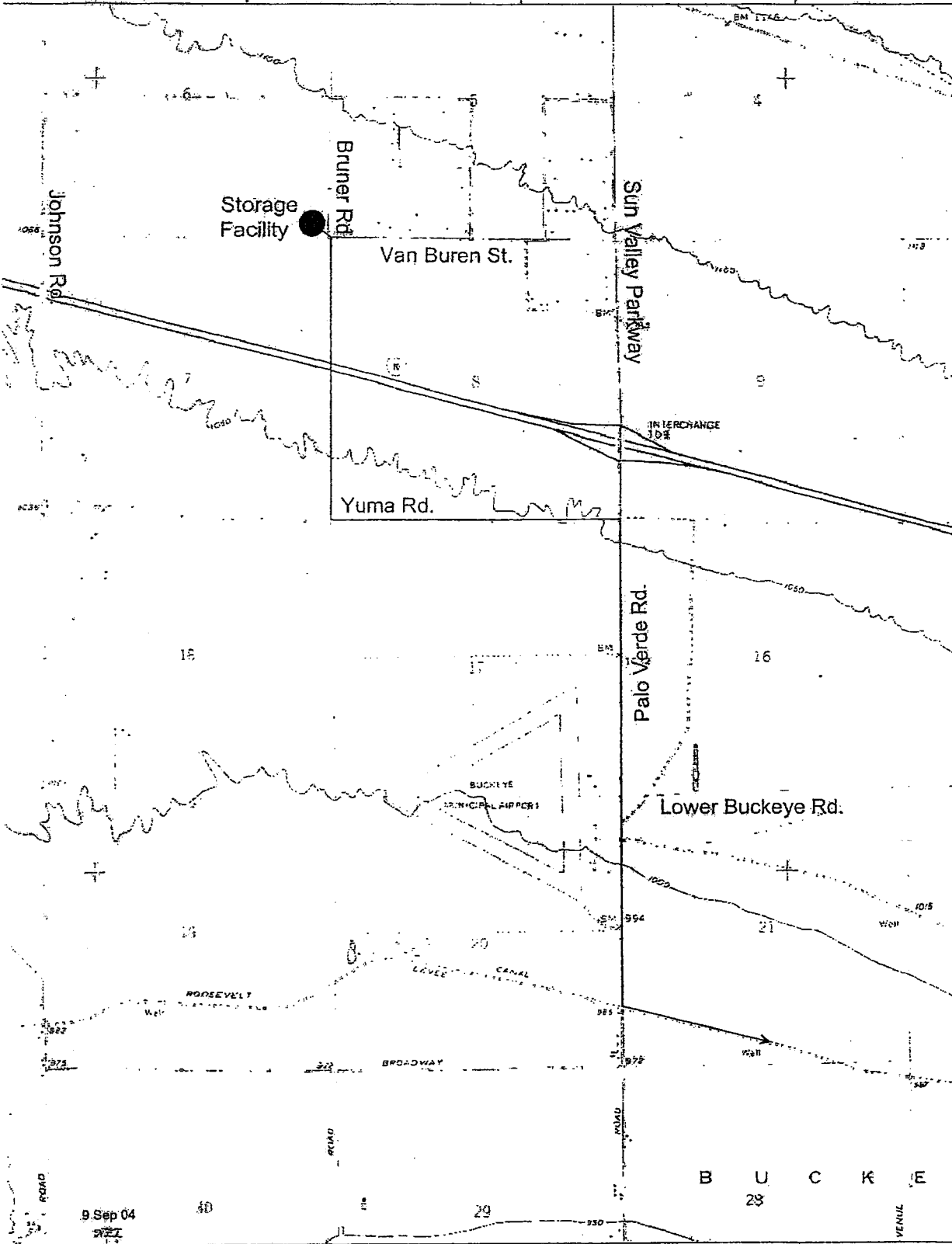
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9 Sep 04

112°42.000' W

112°41.000' W

112°40.000' W

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EXHIBIT

"3"

EXHIBIT 3

Valencia Water Company

Officers

Trevor Hill – President

Cindy Liles – Secretary/Treasurer

Directors

Trevor Hill

Cindy Liles

Water Utility of Greater Buckeye

Officers

Trevor Hill – President

Cindy Liles – Secretary/Treasurer

Directors

Trevor Hill

Cindy Liles

West Maricopa Combine, Inc.

Officers

Trevor Hill – President

Cindy Liles – Secretary/Treasurer

Directors

Trevor Hill

Cindy Liles

EXHIBIT

"4"

EXHIBIT

"5"

STATE OF ARIZONA



Office of the
CORPORATION COMMISSION
CERTIFICATE OF GOOD STANDING

To all to whom these presents shall come, greeting:

I, Brian C. McNeil, Executive Director of the Arizona Corporation Commission, do hereby certify that

*****VALENCIA WATER COMPANY, INC.*****

a domestic corporation organized under the laws of the State of Arizona, did incorporate on August 10, 1972.

I further certify that according to the records of the Arizona Corporation Commission, as of the date set forth hereunder, the said corporation is not administratively dissolved for failure to comply with the provisions of the Arizona Business Corporation Act; and that its most recent Annual Report, subject to the provisions of A.R.S. sections 10-122, 10-123, 10-125 & 10-1622, has been delivered to the Arizona Corporation Commission for filing; and that the said corporation has not filed Articles of Dissolution as of the date of this certificate.

This certificate relates only to the legal existence of the above named entity as of the date issued. This certificate is not to be construed as an endorsement, recommendation, or notice of approval of the entity's condition or business activities and practices.



IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Arizona Corporation Commission. Done at Phoenix, the Capital, this 13th Day of October, 2006, A. D.


Executive Director

Order Number: 96412

EXHIBIT

"6"

STATE OF ARIZONA



Office of the
CORPORATION COMMISSION
CERTIFICATE OF GOOD STANDING

To all to whom these presents shall come, greeting:

I, Brian C. McNeil, Executive Director of the Arizona Corporation Commission, do hereby certify that

*****WATER UTILITY OF GREATER BUCKEYE, INC.*****

a domestic corporation organized under the laws of the State of Arizona, did incorporate on October 17, 1983.

I further certify that according to the records of the Arizona Corporation Commission, as of the date set forth hereunder, the said corporation is not administratively dissolved for failure to comply with the provisions of the Arizona Business Corporation Act; and that its most recent Annual Report, subject to the provisions of A.R.S. sections 10-122, 10-123, 10-125 & 10-1622, has been delivered to the Arizona Corporation Commission for filing; and that the said corporation has not filed Articles of Dissolution as of the date of this certificate.

This certificate relates only to the legal existence of the above named entity as of the date issued. This certificate is not to be construed as an endorsement, recommendation, or notice of approval of the entity's condition or business activities and practices.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Arizona Corporation Commission. Done at Phoenix, the Capital, this 13th Day of October, 2006, A. D.




Executive Director

Order Number: 96414

EXHIBIT

"7"

COMPANY NAME

Valencia Water Company, Inc.

BALANCE SHEET

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 444,859	\$ 1,307,699
134	Working Funds		
135	Temporary Cash Investments	35,336	35,894
141	Customer Accounts Receivable	104,401	211,036
146	Notes/Receivables from Associated Companies	590,944	268,383
151	Plant Material and Supplies	29,243	94,828
162	Prepayments	5,755	2,900
174	Miscellaneous Current and Accrued Assets	16,382	331,845
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 1,226,919	\$ 2,252,585
	FIXED ASSETS		
101	Utility Plant in Service	\$ 5,738,959	\$ 10,476,771
103	Property Held for Future Use		
105	Construction Work in Progress	1,003,764	1,972,535
108	Accumulated Depreciation – Utility Plant	(765,814)	(960,340)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 5,976,910	\$ 11,488,966
	TOTAL ASSETS	\$ 7,203,829	\$ 13,741,551

NOTE: The Assets on this page should be equal to Total Liabilities and Capital on the following page.

COMPANY NAME

Valencia Water Company, Inc.

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 0	\$ 131,625
232	Notes Payable (Current Portion)	51,137	23,699
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	30,600	87,300
236	Accrued Taxes	21,406	29,612
237	Accrued Interest	888	888
241	Miscellaneous Current and Accrued Liabilities	51,871	231,823
	TOTAL CURRENT LIABILITIES	\$ 155,902	\$ 504,946
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 304,596	\$ 192,238
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction	5,144,402	11,344,191
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	448,550	448,550
272	Less: Amortization of Contributions	(40,216)	(53,673)
281	Accumulated Deferred Income Tax	52,864	0
	TOTAL DEFERRED CREDITS	\$ 5,605,600	\$ 11,739,068
	TOTAL LIABILITIES	\$ 6,066,098	\$ 12,436,253
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 35,057	\$ 35,057
211	Paid in Capital in Excess of Par Value	370,282	370,282
215	Retained Earnings	732,391	899,959
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 1,137,730	\$ 1,305,298
	TOTAL LIABILITIES AND CAPITAL	\$ 7,203,829	\$ 13,741,551

COMPANY NAME

Valencia Water Company, Inc.

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 869,955	\$ 1,409,798
460	Unmetered Water Revenue		
474	Other Water Revenues	103,087	235,162
	TOTAL REVENUES	\$ 973,043	\$ 1,644,961
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 117,045	\$ 263,780
610	Purchased Water		
615	Purchased Power	86,133	124,692
618	Chemicals		
620	Repairs and Maintenance	19,187	27,218
621	Office Supplies and Expense	36,210	65,916
630	Outside Services	268,491	389,668
635	Water Testing	13,255	26,741
641	Rents	6,791	19,175
650	Transportation Expenses	45,552	63,697
657	Insurance – General Liability	13,262	19,484
659	Insurance - Health and Life	15,946	33,236
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	15,869	19,435
403	Depreciation Expense	94,004	181,070
408	Taxes Other Than Income	12,367	26,637
408.11	Property Taxes	32,618	41,037
409	Income Tax	68,709	173,540
	TOTAL OPERATING EXPENSES	\$ 845,438	\$ 1,475,326
	OPERATING INCOME/(LOSS)	\$ 127,604	\$ 169,635
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ 4,222	\$ 13,121
421	Non-Utility Income	5,160	4,770
426	Miscellaneous Non-Utility Expenses	(442)	(442)
427	Interest Expense	(15,204)	(19,516)
	TOTAL OTHER INCOME/(EXPENSE)	\$ (6,265)	\$ (2,067)
	NET INCOME/(LOSS)	\$ 121,339	\$ 167,568

EXHIBIT

"8"

COMPANY NAME

Water Utility of Greater Buckeye, Inc.

BALANCE SHEET

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 6,159	\$ 5,979
134	Working Funds		
135	Temporary Cash Investments	1,364	2,226
141	Customer Accounts Receivable	9,742	17,831
146	Notes/Receivables from Associated Companies	159,247	212,522
151	Plant Material and Supplies		
162	Prepayments	2,345	500
174	Miscellaneous Current and Accrued Assets	147,573	143,600
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 326,430	\$ 382,658
	FIXED ASSETS		
101	Utility Plant in Service	\$ 1,533,475	\$ 1,573,222
103	Property Held for Future Use		
105	Construction Work in Progress	0	1,300
108	Accumulated Depreciation - Utility Plant	(543,390)	(619,340)
121	Non-Utility Property		
122	Accumulated Depreciation - Non Utility		
	TOTAL FIXED ASSETS	\$ 990,085	\$ 955,183
	TOTAL ASSETS	\$ 1,316,515	\$ 1,337,840

NOTE: The Assets on this page should be equal to Total Liabilities and Capital on the following page.

COMPANY NAME

Water Utility of Greater Buckeye, Inc.

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 0	\$ 2,913
232	Notes Payable (Current Portion)	4,848	5,190
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	10,140	12,360
236	Accrued Taxes	6,752	8,263
237	Accrued Interest	169	169
241	Miscellaneous Current and Accrued Liabilities	0	13,707
	TOTAL CURRENT LIABILITIES	\$ 21,909	\$ 42,603
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 89,920	\$ 84,736
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction	1,165,515	762,531
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		407,979
272	Less: Amortization of Contributions		(10,199)
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 1,165,515	\$ 1,160,311
	TOTAL LIABILITIES	\$ 1,277,344	\$ 1,287,651
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 13,500	\$ 13,500
211	Paid in Capital in Excess of Par Value	496,848	496,848
215	Retained Earnings	(471,178)	(460,156)
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 39,170	\$ 50,192
	TOTAL LIABILITIES AND CAPITAL	\$ 1,316,515	\$ 1,337,840

COMPANY NAME

Water Utility of Greater Buckeye, Inc.

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 255,937	\$ 288,929
460	Unmetered Water Revenue		
474	Other Water Revenues	10,075	6,888
	TOTAL REVENUES	\$ 266,011	\$ 295,817
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 48,023	\$ 55,828
610	Purchased Water		
615	Purchased Power	18,916	20,803
618	Chemicals		
620	Repairs and Maintenance	1,422	6,468
621	Office Supplies and Expense	3,283	3,309
630	Outside Services	67,683	76,932
635	Water Testing	2,649	5,221
641	Rents	1,323	2,882
650	Transportation Expenses		
657	Insurance - General Liability	4,456	3,492
659	Insurance - Health and Life	5,348	6,723
666	Regulatory Commission Expense - Rate Case		
675	Miscellaneous Expense	3,669	5,237
403	Depreciation Expense	72,775	65,750
408	Taxes Other Than Income	4,619	5,405
408.11	Property Taxes	11,471	12,879
409	Income Tax	7,132	10,000
	TOTAL OPERATING EXPENSES	\$ 252,769	\$ 280,929
	OPERATING INCOME/(LOSS)	\$ 13,242	\$ 14,888
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income	4,965	7,211
426	Miscellaneous Non-Utility Expenses	(4,770)	(4,770)
427	Interest Expense	(5,904)	(6,311)
	TOTAL OTHER INCOME/(EXPENSE)	\$ (5,709)	\$ (3,870)
	NET INCOME/(LOSS)	\$ 7,533	\$ 11,018

EXHIBIT

"9"

WATER USE DATA SHEET

NAME OF COMPANY —————→	Valencia Water Company, Inc.
ADEQ Public Water System No. —→	PWS #07-078

MONTH/YEAR (Last 13 Months)	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)
09/05	2,956	37,899
10/05	3,096	23,809
11/05	3,265	27,820
12/05	3,330	21,588
01/06	3,438	19,358
02/06	3,495	20,606
03/06	3,576	25,661
04/06	3,571	24,997
05/06	3,626	33,722
06/06	3,735	56,679
07/06	3,739	57,070
08/06	3,850	43,078
09/06	3,889	45,874
Total		438,161

STORAGE TANK CAPACITY (Gallons)	NUMBER OF EACH	ARIZONA DEPT. OF WATER RESOURCES WELL I.D. NUMBER	WELL PRODUCTION (Gallons per Minute)
785,000	1	55-607657 - 4th Central	220
500,000	2	55-607656 - 4th Baseline #1	80
190,000	1	55-577508 - 4th Baseline #2	600
180,000	1	55-607658 - 7th Alarcon #1	80
100,000	3	55-599950 - 7th Alarcon #2	250
50,000	3	55-202400 - Bales School	300
40,000	1	55-201055 - Riata West #1	425
		55-202399 - Riata West #2	525
		55-203651 - Evergreen #1	300
		55-203650 - Evergreen #2	700
		55-205450 - Evergreen #3	450
		55-599204 - Blue Hills #1	110
		55-592220 - Blue Hills #2	350

Other Water Sources in Gallons per Minute —————→	GPM	-
Fire Hydrants on System —————→	Yes	X No
Total Water Pumped Last 13 Months (Gallons in Thousands) —→		469,293

EXHIBIT

"10"

WATER USE DATA SHEET

NAME OF COMPANY —————→	Water Utility of Greater Buckeye, Inc.
ADEQ Public Water System No. —→	Bulfer/Primrose System PWS #07-114

MONTH/YEAR (Last 13 Months)	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)
09/05	87	962
10/05	88	901
11/05	87	872
12/05	88	760
01/06	87	732
02/06	89	761
03/06	88	695
04/06	87	930
05/06	88	987
06/06	87	1,199
07/06	87	1,404
08/06	89	1,054
09/06	88	959
Total		12,216

STORAGE TANK CAPACITY (Gallons)	NUMBER OF EACH	ARIZONA DEPT. OF WATER RESOURCES WELL I.D. NUMBER	WELL PRODUCTION (Gallons per Minute)
140,000	1	55-618513	40

Other Water Sources in Gallons per Minute —————→	GPM	-
Fire Hydrants on System —————→	Yes	X No
Total Water Pumped Last 13 Months (Gallons in Thousands) —→		12,947

WATER USE DATA SHEET

NAME OF COMPANY —————→	Water Utility of Greater Buckeye, Inc.
ADEQ Public Water System No. —→	Sonoran Ridge System PWS #07-732

MONTH/YEAR (Last 13 Months)	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)
09/05	47	328
10/05	48	369
11/05	52	313
12/05	52	2,622
01/06	53	960
02/06	55	2,156
03/06	56	4,185
04/06	58	2,981
05/06	57	1,620
06/06	60	1,636
07/06	58	1,100
08/06	58	944
09/06	58	1,873
Total		21,087

STORAGE TANK CAPACITY (Gallons)	NUMBER OF EACH	ARIZONA DEPT. OF WATER RESOURCES WELL I.D. NUMBER	WELL PRODUCTION (Gallons per Minute)
200,000	1	55-572657	150

Other Water Sources in Gallons per Minute —————→	GPM	-
Fire Hydrants on System —————→	Yes	X No
Total Water Pumped Last 13 Months (Gallons in Thousands) —→		20,856

WATER USE DATA SHEET

NAME OF COMPANY —————→	Water Utility of Greater Buckeye, Inc.
ADEQ Public Water System No. —→	Sun Valley/Sweetwater 1 System PWS #07-195

MONTH/YEAR (Last 13 Months)	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)
09/05	340	3,212
10/05	341	3,062
11/05	347	2,645
12/05	346	2,539
01/06	346	2,567
02/06	348	2,420
03/06	353	2,404
04/06	358	3,424
05/06	367	3,253
06/06	373	5,235
07/06	372	5,897
08/06	368	4,789
09/06	368	3,925
Total		45,372

STORAGE TANK CAPACITY (Gallons)	NUMBER OF EACH	ARIZONA DEPT. OF WATER RESOURCES WELL I.D. NUMBER	WELL PRODUCTION (Gallons per Minute)
200,000	1	55-800947	300
5,000	3	55-802328	30

Other Water Sources in Gallons per Minute —————→	GPM -
Fire Hydrants on System —————→	Yes X No
Total Water Pumped Last 13 Months (Gallons in Thousands) —————→	50,958

WATER USE DATA SHEET

NAME OF COMPANY _____	Water Utility of Greater Buckeye, Inc.
ADEQ Public Water System No. _____	Sweetwater 2 System PWS #07-129

MONTH/YEAR (Last 13 Months)	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)
09/05	92	1,120
10/05	92	1,046
11/05	93	835
12/05	92	855
01/06	91	842
02/06	93	796
03/06	93	728
04/06	92	958
05/06	92	1,029
06/06	93	1,460
07/06	91	1,386
08/06	91	1,244
09/06	92	1,039
Total		13,338

STORAGE TANK CAPACITY (Gallons)	NUMBER OF EACH	ARIZONA DEPT. OF WATER RESOURCES WELL I.D. NUMBER	WELL PRODUCTION (Gallons per Minute)
11,000	4	55-802333	40

Other Water Sources in Gallons per Minute _____	GPM	-
Fire Hydrants on System _____	Yes	X No
Total Water Pumped Last 13 Months (Gallons in Thousands) _____		15,100

Water Utility of Greater Buckeye
Water Usage Schedule
9/30/2006

	<u>Bulfer/Primrose</u>				<u>Sonoran Ridge</u>				<u>Sun Valley/SW 1</u>				<u>Sweetwater 2</u>				<u>Total</u>	
	Meters	Sold	Pumped	Meters	Meters	Sold	Pumped	Meters	Meters	Sold	Pumped	Meters	Meters	Sold	Pumped	Meters	Sold	Pumped
9/05	87	962	1,029	47	328	318	340	3,212	3,514	92	1,120	1,217	566	5,622	6,078			
10/05	88	901	921	48	369	388	341	3,062	3,308	92	1,046	1,131	569	5,378	5,748			
11/05	87	872	904	52	313	360	347	2,645	2,891	93	835	912	579	4,665	5,067			
12/05	88	760	760	52	2,922	2,476	346	2,539	3,105	92	855	900	578	6,776	7,241			
1/06	87	732	732	53	960	1,217	346	2,567	3,020	91	842	1,008	577	5,101	5,977			
2/06	89	761	733	55	2,156	2,145	348	2,420	2,983	93	796	944	585	6,133	6,805			
3/06	88	695	751	56	4,185	3,989	353	2,404	2,959	93	728	834	590	8,012	8,533			
4/06	87	930	1,005	58	2,981	2,455	358	3,424	3,737	92	958	1,129	595	8,293	8,326			
5/06	88	987	981	57	1,620	1,628	367	3,253	3,616	92	1,029	1,174	604	6,889	7,399			
6/06	87	1,199	1,338	60	1,636	1,723	373	5,235	5,573	93	1,460	1,583	613	9,530	10,217			
7/06	87	1,404	1,468	58	1,100	1,037	372	5,897	6,774	91	1,386	1,654	608	9,787	10,933			
8/06	89	1,054	1,226	58	944	988	368	4,789	5,004	91	1,244	1,355	606	8,031	8,573			
9/06	88	959	1,099	58	1,873	2,132	368	3,925	4,474	92	1,039	1,259	606	7,796	8,964			
Total	88	12,216	12,947	58	21,087	20,856	368	45,372	50,958	92	13,338	15,100	606	92,013	99,861			7.9%

Bill of Lading

User Name: Mary Ippolito
Company: ROSHKA DEWULF & PATTEN

AZ Best (602) 248-9700

Control Number: 264932

eTrac Number: 44279132

Submitter Information	Shipping Information
Account: 26031 Name: ROSHKA DEWULF & PATTEN Requested By: Mary Ippolito Reference: GLOBALWATER/PALOVERDE BOL No.: Entered: 16-OCT-2006 15:22 Last Updated: 16-OCT-2006 18:26 (EST)	Service Type: COURTRUN-SAME DAY Return Service: None Pieces: 1 Weight: 1.0 Lbs. Charges: 0.00 Quote: 0.00
Pick Up From	Deliver To
* ROSHKA DEWULF & PATTEN 400 E VAN BUREN ST STE 800 PHOENIX, AZ 85004 Phone: 602-256-6100	ACC Docket Control 1200 W. Washington Ave Phoenix, AZ 85007
Pickup Details	Delivery Details
Requested Date: 16-OCT-2006 Ready Time: NOW Case Information: file orig 15; return conformed copy; de Actual Date: Arrival Time: Departure Time:	Requested Date: 16-OCT-2006 Deliver By: 16:22 Special Instructions: liver envelopes Actual Date: Arrival Time: Departure Time:
Driver: _____ Date: _____ Time: _____	Received by: X _____ Print Name: _____

eTrac Order Entry
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OCT 16 2006

LEGAL DIV.
ARIZ. CORPORATION COMMISSION

ROSHKA DeWULF & PATTEN

ROSHKA DeWULF & PATTEN, PLC
ATTORNEYS AT LAW
ONE ARIZONA CENTER
400 EAST VAN BUREN STREET
SUITE 800
PHOENIX, ARIZONA 85004
TELEPHONE NO 602-256-6100
FACSIMILE 602-256-6800

January 16, 2007

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2007 JAN 16 P 1:44

AZ CORP COMMISSION
DOCUMENT CONTROL

Blessing Chukwu
Utilities Division
Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007

Re: Response to Staff's Insufficiency Letter dated November 14, 2006
Docket No. W-01212A-06-0666/W-02451A-06-0666

Dear Ms. Chukwu:

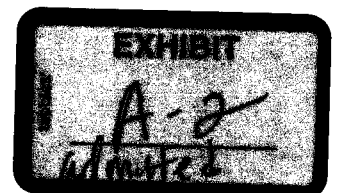
Enclosed please find the responses of Valencia Water Company and Water Utility of Greater Buckeye, Inc. to Staff's Insufficiency Letter dated November 14, 2006 in this docket.

Sincerely,



Timothy J. Sabo

TJS/mi
Enclosure
cc: Docket Control



**Valencia Water Company, Inc. and
Water Utility of Greater Buckeye, Inc.'s
Responses to Staff's First Set of Data Requests
Docket No. W-01212A-06-0666 and W-02451A-06-0666
January 16, 2007**

1. Please provide a copy of the franchise agreement that approves the transfer. If the franchise agreement has not been issued, please inform Staff of the status of the application for the franchise agreement.

Response: Each company, Water Utility of Greater Buckeye, Inc. (WUGB) and Valencia Water Company, Inc. (Valencia) has approved franchise agreements from Maricopa County for its respective service area. It is our understanding that if approval of the transfer of the franchise agreement from WUGB to Valencia is required, it will be administrative in nature. We anticipate no more than 4 months will be required to make application for the change and to obtain approval.

Respondent: Graham Symmonds
Senior Vice President, Operations and Compliance
Global Water Management, LLC
21410 North 19th Avenue, Suite 201
Phoenix, Arizona 85027

**Valencia Water Company, Inc. and
Water Utility of Greater Buckeye, Inc.'s
Responses to Staff's First Set of Data Requests
Docket No. W-01212A-06-0666 and W-02451A-06-0666
January 16, 2007**

2. Please provide a detailed description of the existing **certificated areas**. Please specify the acreage separately for Valencia and Buckeye certificated areas and describe the location of the certificated areas (including proximity to the Town of Buckeye and distance between Valencia and Buckeye certificated areas.

Response: Please see the attached revised Exhibit 4. Valencia's approved CC&N contains approximately 7,480 acres and WUGB contains 4,273 acres. The combined total once the transfer is approved will be 11,753 acres, or just over 18 sections. The distance between Valencia and WUGB certificated areas ranges from approximately 3 – 8 miles, with Valencia being located almost equidistant between the Sun Valley Ranches and Bulfer/Primrose Estates portions of WUGB. The Town of Buckeye and the certificated areas for Valencia and WUGB are also shown on the revised Exhibit 4; you can see that much of Valencia is within the Town's boundaries, with only minor portions of WUGB appear within the Town's boundaries.

Respondent: Graham Symmonds
Senior Vice President, Operations and Compliance
Global Water Management, LLC
21410 North 19th Avenue, Suite 201
Phoenix, Arizona 85027

**Valencia Water Company, Inc. and
Water Utility of Greater Buckeye, Inc.'s
Responses to Staff's First Set of Data Requests
Docket No. W-01212A-06-0666 and W-02451A-06-0666
January 16, 2007**

3. According to Exhibits 9 and 10 of the Application, Valencia has one (1) water system and there are four (4) water systems in Buckeye. Please provide the following information related to these **water systems**:
- Please show the location of each water system on a proximity map (Exhibit 4).
 - Please provide a most recent Drinking Water Compliance Report for each water system.
 - According to the information reported in the 2005 Annual Reports for Valencia and Buckeye, the level of arsenic for some wells exceeds the new arsenic standard of 0.01 mg/l. Please explain.
 - The Water systems plant description in Exhibits 9 & 10 do not match plant description reported in the 2005 Annual Reports for Valencia and Buckeye. Please explain.
 - Please state the estimated number of customers expected for each water system in the next five years (this information will enable Commission Staff to perform analysis and determine if each water system has adequate water production and storage capacity to serve the existing base of customers and expected growth within a five-year planning period).

Response:

- Location of each water system

Please refer to the attached revised Exhibit 4.

- Most recent DWS compliance reports ("Reports")

Please refer to the attached Reports from Maricopa County Environmental Services Department (MCESD). For those that list compliance status as "Substantial", WUGB has submitted the required documentation to MCESD but has not yet received revised Reports.

**Valencia Water Company, Inc. and
Water Utility of Greater Buckeye, Inc.'s
Responses to Staff's First Set of Data Requests
Docket No. W-01212A-06-0666 and W-02451A-06-0666
January 16, 2007**

- Arsenic question

As the ACC is aware, ADEQ enforces the Drinking Water Standards within Arizona and the compliance dates to meet the revised Arsenic standard of 0.01 mg/L are dependent on a number of factors including the specific monitoring schedule established by ADEQ. In Valencia's case, compliance with the more strict standard is required by the end of September 2007, and for WUGB, by the end of December 2007. Both companies are on track to meet the new standard, which involves the design, permitting and construction of treatment systems.

- Changes from 2005 to 2006 water infrastructure descriptions

Attached please find a table which illustrates the changes made in the water systems within approximately the past year. You will see that the changes reflect expansion due to developer activity.

- Customer estimates next five years

Based on recent historical growth patterns, we expect to add 100 customers per month in Valencia and 10 customers per month in the WUGB. As you know, the pace of development dictates this growth, but Valencia and WUGB are committed to working closely with the development community to have the infrastructure ready to meet the developer's schedules.

Respondent: Graham Symmonds
Senior Vice President, Operations and Compliance
Global Water Management, LLC
21410 North 19th Avenue, Suite 201
Phoenix, Arizona 85027

ATTACHMENTS

Valencia Water Company		Additions or Changes from 2005 Annual Report					Additions or Changes from 2005 Annual Report	
Storage Tanks	Quantity	Notes	System ID#	Wells	Location	Pump Yield		In Use
785,000	1	Actual size 785K	07-078	55-607657	4th & Central	220	Add 20 gpm	yes
500,000	1	Nonimal size 700K	07-078	55-607656	4th & Baseline #1	80	No Change	yes
550,000	1	No Change	07-078	55-577508	4th & Baseline #2	500	new pump did not change flow	yes
190,000	1	Construction to start Jan 30, 2007	07-078	55-607658	7th & Alarcon #1	80	No Change	yes
180,000	1	No Change	07-078	55-599950	7th & Alarcon #2	300	Add 50 gpm	yes
100,000	3	No Change	07-078	55-202400	Bales School	300	Estimated from Driller log	First Quarter 07
50,000	3	No Change	07-078	55-201055	Riata West #1	425	Estimated from Driller log	Fourth Quarter 07
35,000	1	used for blending well water to meet quality standards	07-078	55-202399	Riata West #2	525	Estimated from Driller log	Second Quarter 07
			07-078	55-203651	Evergreen #1	300	Estimated from Driller log	First Quarter 08
			07-078	55-203650	Evergreen #2	700	Estimated from Driller log	Fourth Quarter 07
			07-078	55-205450	Evergreen #3	450	Estimated from Driller log	First Quarter 08
			07-078	55-206355	Evergreen #4			Second Quarter 08
			07-078	55-207988	Evergreen #5			Second Quarter 08
			07-078	55-599204	Blue Hills #1	110	Estimated from Driller log	First Quarter 07
			07-078	55592220	Blue Hills #2	350	Estimated from Driller log	First Quarter 08
			07-078	55-203643	Schultz #1			First Quarter 08
			07-078	55-203620	Schultz #2			First Quarter 08
			07-078		Montana Vista			First Quarter 08
			07-078	55-201726	Miller Manor			Undetermined
			07-078	55-595289	AZ Machinery			Undetermined

Water Utility of Greater Buckeye		Additions or Changes from 2005 Annual Report					Additions or Changes from 2005 Annual Report	
Storage Tanks	Quantity	Notes	System ID#	Wells	Location	Pump Yield		In Use
200,000	1	No change	07-732	55-802328	07-195	30	No Change	Yes
200,000	1	No change	07-195	55-802333	07-129	40	No Change	Yes
140,000	1	No change	07-114	55-800947	07-195	300	No Change	Yes
11,000	4	No change	07-129	55-618513	07-114	40	No Change	Yes
5,000	3	No change	07-195	55-572657	07-732	150	No Change	Yes

Water Utility of Greater Buckeye	System ID#
SonoranRidge	07-732
Sun Valley/ Sweetwater #1	07-195
Bulfer/Primrose	07-114
Sweetwater #2	07-129
Sun Valley/ Sweetwater #1	07-195



Maricopa County
Environmental Services Department

PUBLIC WATER SYSTEM COMPLIANCE STATUS REPORT

System Name: Valencia Water
PWS ID#: 07-078

Type of System: Community Number of POE's: 3 Surface Water: n/a
Number of Service Connections: 2835 Population Served: 8505

Assigned Monitoring Dates - Initial: 1/1/94 Phase II: 1/1/94 Phase V: 1/1/94

Does the water system have a Certified Operator? Yes

Does the system have major treatment plant deficiencies? No
Please describe: _____

Date of last inspection: February 14, 2006

Does the system have major O & M deficiencies? Yes
Please describe: _____

Does the system have water quality monitoring/reporting deficiencies? No
Please describe: _____

General Public Water System Compliance Status? Compliant

Date of compliance review: 3/31/06 By: Duncan Wright Initials: DW
Phone: (602) 506-5173

Requested By: Roshka, DeWulf & Patten Fax Number/ Contact: 602-256-6800 Tracking Number:

Supervisor Initials: [Signature] Date: 4/6/06

Drinking Water Program
John Kolman, Manager

1001 N. Central Ave., Suite 150 Phoenix, Arizona 85004-1940 Phone: (602) 506-6666 Fax: (602) 506-6925



Maricopa County
Environmental Services Department

PUBLIC WATER SYSTEM COMPLIANCE STATUS REPORT

System Name: WUGB - Sun Valley Ranch
PWS ID#: 07-195

Type of System: Community Number of EPDS's: 2 Surface Water: N/A
Number of Service Connections: 317 Population Served: 983

Assigned Monitoring Dates - Initial: 1/1/98 Phase II: 1/1/98 Phase V: 1/1/98

Does the water system have a Certified Operator? Yes

Does the system have major treatment plant deficiencies? N/A
Please describe: _____

Date of last Sanitary Survey: December 3, 2003

Does the system have major O & M deficiencies? Minor
Please describe: System has not submitted documentation of corrective action for noted deficiencies during last Sanitary Survey.

Does the system have water quality monitoring/reporting deficiencies? No
Please describe: _____

General Public Water System Compliance Status? Substantial Compliance

Date of compliance review: April 11, 2006 By: Doug Taylor R.S. Initials: DT
Phone: (602) 506-6631

Requested By: Joyce Goodwin, Paralegal Fax Number/ Contact: 602-256-6800 Tracking Number: 1115

Supervisor Initials: [Signature] Date: 4/11/06

Drinking Water Program

John Kolman, Manager

1001 N. Central Ave., Suite 150 Phoenix, Arizona 85004-1940 Phone: (602) 506-6666 Fax: (602) 506-6925



Maricopa County
Environmental Services Department

PUBLIC WATER SYSTEM COMPLIANCE STATUS REPORT

System Name: WUGB - Bulfer Water Co.
PWS ID#: 07-114

Type of System: Community Number of EPDS's: 1 Surface Water: N/A
Number of Service Connections: 84 Population Served: 260

Assigned Monitoring Dates - Initial: 1/1/95 Phase II: 1/1/95 Phase V: 1/1/98

Does the water system have a Certified Operator? Yes

Does the system have major treatment plant deficiencies? N/A
Please describe: _____

Date of last Sanitary Survey: December 3, 2003

Does the system have major O & M deficiencies? Minor
Please describe: This Department has not received documentation of corrective action for noted deficiencies.

Does the system have water quality monitoring/reporting deficiencies? No
Please describe: _____

General Public Water System Compliance Status? Substantial Compliance

Date of compliance review: April 10, 2006 By: Doug Taylor R.S. Initials: _____
Phone: (602) 506-6631

Requested By: Joyce Goodwin, Paralegal Fax Number/ Contact: 802-256-6800 Tracking Number: 1113
Supervisor Initials: [Signature] Date: 4/10/06

Drinking Water Program
John Kolman, Manager
1001 N. Central Ave., Suite 150 Phoenix, Arizona 85004-1940 Phone: (602) 506-6666 Fax: (602) 506-6925



Maricopa County
Environmental Services Department

PUBLIC WATER SYSTEM COMPLIANCE STATUS REPORT

System Name: WUGB - Sweet Water 2

PWS ID#: 07-129

Type of System: Community Number of EPDS's: 1 Surface Water: N/A
Number of Service Connections: 291 Population Served: 94

Assigned Monitoring Dates - Initial: 1/1/95 Phase II: 1/1/95 Phase V: 1/1/98

Does the water system have a Certified Operator? Yes

Does the system have major treatment plant deficiencies? N/A
Please describe: _____

Date of last Sanitary Survey: July 8, 2004

Does the system have major O & M deficiencies? Minor
Please describe: System has not submitted documentation of corrective action for noted deficiencies during last sanitary survey.

Does the system have water quality monitoring/reporting deficiencies? Yes *Sent public notice dated 4/2/06*
Please describe: System did not perform increased monitoring during October 2005 due to total coliform positive in September 2006.

General Public Water System Compliance Status? Substantial Compliance

Date of compliance review: April 10, 2006 By: Doug Taylor R.S. Initials: DT
Phone: (602) 506-6631

Requested By: Joyce Goodwin, Paralegal Fax Number/ Contact: 602-256-6600 Tracking Number: 1119

Supervisor Initials: [Signature] Date: 4/10/06

Drinking Water Program

John Kolman, Manager

1001 N. Central Ave., Suite 150 Phoenix, Arizona 85004-1940 Phone: (602) 506-6666 Fax: (602) 506-6925

Water Utility of Greater Buckeye

201 E Coronado St.
Buckeye, AZ 85326
(623) 386-4252

April 25, 2006

MCES
1001 N Central Ave
Phoenix, AZ 85004
Attention: Doug Taylor

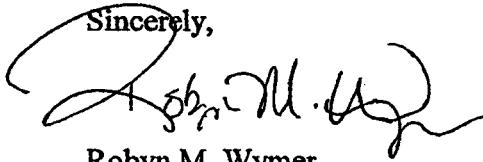
RE: PWS# 07-129 / SWII

Dear Sir:

Enclosed you will find the Public Notice and the Affidavit for the above water system.

If you have any questions, please contact my office.

Sincerely,

A handwritten signature in black ink, appearing to read "Robyn M. Wymer", with a large, stylized loop at the beginning.

Robyn M. Wymer
Compliance
Water Utility of Greater Buckeye
robyn@wmcwater.com

Affidavit:

I, Robyn Wymer, certify that the **attached** public notice was provided to the customers of Sweetwater 2 Public Water System Identification # 07-129 by, direct mailing, by, 4/21/2006

Signature: 

Date: 4/25/06

Notary Public: _____

Date: _____

Notary Seal:

My Commission Expires: _____

(ATTACH COPY OF PUBLIC NOTICE)

Water Utility of Greater Buckeye

201 E. Coronado St.

Buckeye, AZ 85326

April 21, 2006

PUBLIC NOTICE

Failure To Monitor

This notice is to inform customers of Sweetwater 2 water system, PWS# 07-129, that the water system failed to perform increased monitoring for Coliform during October 2006, and therefore cannot be sure of the quality of your drinking water during that time. The water system is required to monitor your drinking water for specific contaminants on a regular basis. Results of regular monitoring are an indicator of whether or not your drinking water meets health standards.

*should be
2005.??*

Coliforms are bacteria that are naturally present in the environment and are used as an indicator that other, potentially-harmful, bacteria may be present. Coliforms were found in more samples than allowed and this was a warning of potential problems.

The water system, since this date has performed monthly sampling with negative results.

For more information, please contact the office @ 623-386-4252.



Maricopa County
Environmental Services Department

PUBLIC WATER SYSTEM COMPLIANCE STATUS REPORT

System Name: WUGB - Sonoran Ridge
PWS ID#: 07-732

Type of System: Community Number of EPDS's: 1 Surface Water: N/A
Number of Service Connections: 52 Population Served: 161

Assigned Monitoring Dates - Initial: 1/1/04 Phase II: 1/1/04 Phase V: 1/1/04

Does the water system have a Certified Operator? Yes

Does the system have major treatment plant deficiencies? N/A
Please describe: _____

Date of last Sanitary Survey: December 22, 2005

Does the system have major O & M deficiencies? Minor
Please describe: This Department has not received documentation of corrective action for noted deficiencies during last sanitary survey.

Does the system have water quality monitoring/reporting deficiencies? No
Please describe: _____

General Public Water System Compliance Status? Substantial Compliance

Date of compliance review: April 11, 2006 By: Doug Taylor R.S. Initials: _____
Phone: (602) 506-8631

Requested By: Joyce Goodwin, Paralegal Fax Number/ Contact: 602-256-8800 Tracking Number: 1116

Supervisor Initials: [Signature] Date: 4/12/06

Drinking Water Program
John Kolman, Manager

1001 N. Central Ave., Suite 150 Phoenix, Arizona 85004-1940 Phone: (602) 506-6666 Fax: (602) 506-6925



Maricopa County

Environmental Services

Water and Waste
Management Division
Drinking Water Program
1001 N. Central Ave., Suite 250
Phoenix, Arizona 85004-1940
Phone: (602) 506-6666
Fax: (602) 506-6925

September 20, 2006

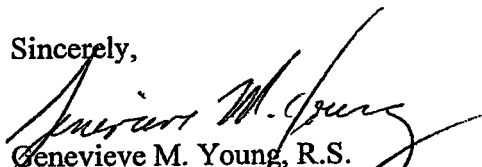
Robert Garcia
Water Utility of Greater Buckeye
201 E. Coronado St.
Buckeye, AZ 85326

Re: Sanitary Survey
PWS 07-732

Dear Mr. Garcia:

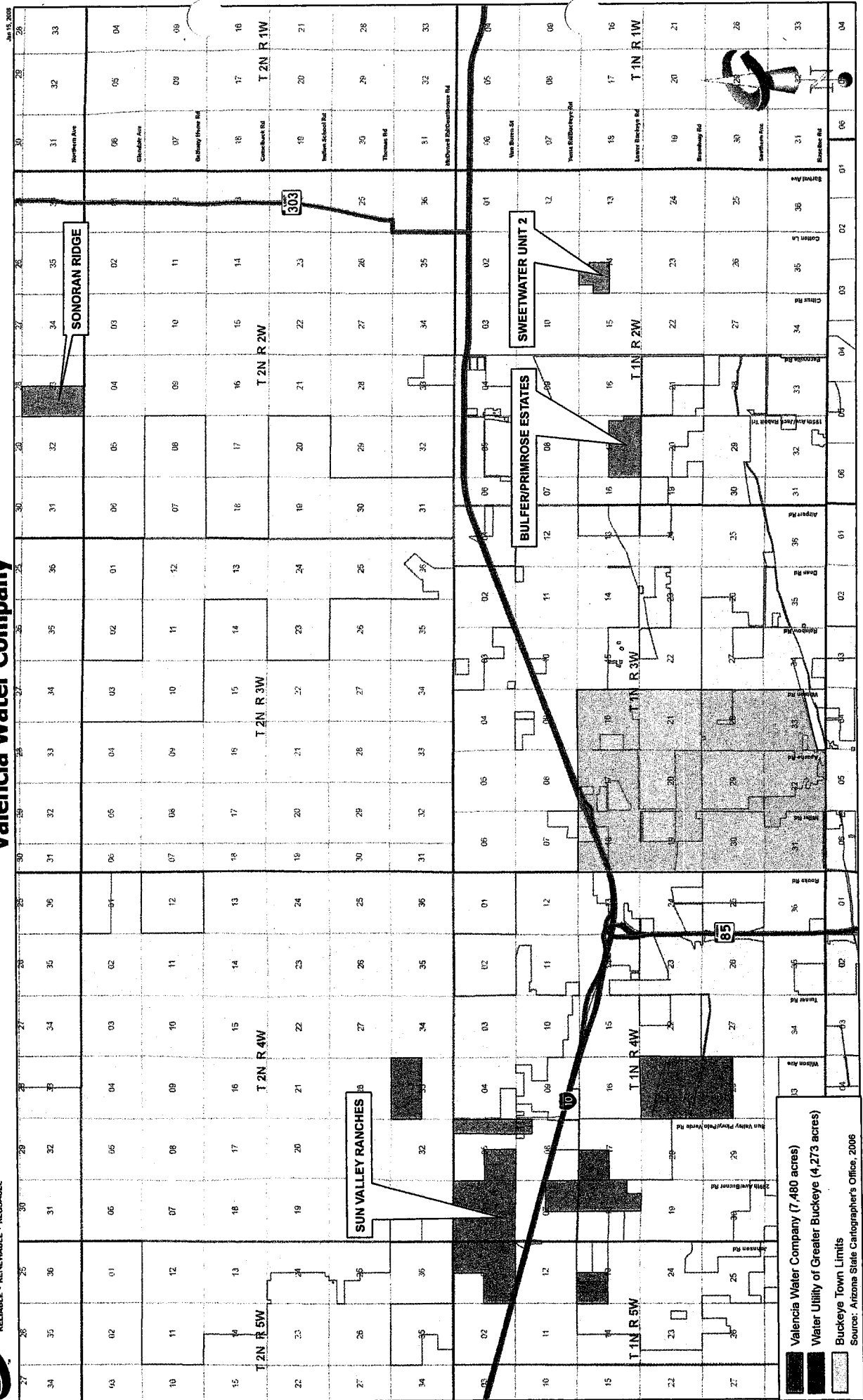
Thank you for your letter documenting corrections to the Sonoran Ridge water system. We have noted the actions that you took and have updated our file to show that operation and maintenance for the well site is in full compliance. If you wish to contact me, please call (602) 506-0462 or send email to jyoung@mail.maricopa.gov.

Sincerely,


Genevieve M. Young, R.S.
Lead Environmental Specialist
Drinking Water Program

Cc: ADEQ
John Kolman, R.S.

Exhibit 4 - Water Utility of Greater Buckeye & Valencia Water Company



Valencia Water Company (7,480 acres)
 Water Utility of Greater Buckeye (4,273 acres)
 Buckeye Town Limits
 Source: Arizona State Cartographer's Office, 2006

ROSHKA DeWULF & PATTEN

RECEIVED

FILE COPY

ROSHKA DeWULF & PATTEN, PLC
ATTORNEYS AT LAW
ONE ARIZONA CENTER
400 EAST VAN BUREN STREET
SUITE 800
PHOENIX, ARIZONA 85004
TELEPHONE NO 602-256-6100
FACSIMILE 602-256-6800

2007 APR 13 P 4: 01

AZ CORP COMMISSION
DOCUMENT CONTROL

April 13, 2007

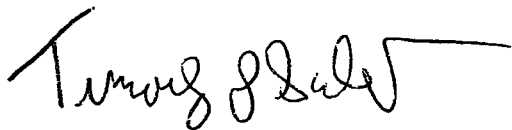
Blessing Chukwu
Utilities Division
Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007

Re: Response to Staff's Second Insufficiency Letter dated February 13, 2007
Docket No. W-01212A-06-0666/W-02451A-06-0666

Dear Ms. Chukwu:

Enclosed please find responses of Valencia Water Company and Water Utility of Greater Buckeye, Inc. to Staff's Insufficiency Letter dated February 13, 2007. We hope that these responses and the documents attached address your concerns. Please let us know if Staff has any further questions.

Sincerely,

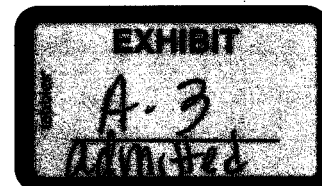


Timothy J. Sabo

TJS/da

Enclosure

cc: Docket Control
Del Smith
Lyn Farmer
Brian Bozzo
Vicki Wallace



**VALENCIA WATER COMPANY, INC. AND
WATER UTILITY OF GREATER BUCKEYE, INC.'S
RESPONSES TO STAFF'S INSUFFICIENCY LETTER
DATED FEBRUARY 13, 2007
DOCKET NOS. W-01212A-06-0666 AND W-02451A-06-0666
APRIL 13, 2007**

1. Based on submitted data, Staff concludes that Valencia and WUGB's existing water systems lack adequate well production capacity or storage capacity (or both) to serve the existing customer base. Also, there are water quality issues related to arsenic. Please provide a report for the existing water systems improvements. The report should outline plans to resolve existing water systems capacity inadequacies and water quality issues associated with arsenic treatment.

RESPONSE: Over the last several months, the Valencia Water Company and the Water Utility of Greater Buckeye have executed a series of studies and infrastructure projects to address capacity and water quality issues. The following discussion addresses both issues for each utility.

Valencia Water Company – Arsenic Compliance Issues

The Valencia Water Company maintains three original well sites. Each site produces water quality with an arsenic level above 10 ppb. As a result, Layne Christensen Company and McPhee Environmental were hired to provide media-based arsenic treatment system for each site. A brief status report for each site is provided below.

7th and Alarcon – The 7th and Alarcon site is equipped with two wells that produce 380 gpm. An arsenic treatment system was supplied by McPhee Environmental and is installed on the site. McPhee Environmental is currently replacing exhausted media and finalizing the permit process with MCESD. We expect this site to be fully operational by June of 2007.

4th and Baseline – The 4th and Baseline site produces 580 gpm. An arsenic treatment system was supplied by Layne Christensen and is installed on the site. The 4th and Baseline site also required booster station upgrades; construction of this work is currently under contract with RDH Environmental. Town of Buckeye permits are expected within the month of May and construction is scheduled for completion prior to the fourth quarter of 2007.

4th and Central – The 4th and Central site produces 200 gpm. An arsenic treatment system was supplied by Layne Christensen and is installed on site. This site also required booster station upgrades. The project will be submitted to MCESD and the Town of Buckeye for permits within the month of April. Upon receiving permits, the project will be bid. Construction completion is scheduled to occur prior to December 2007.

**VALENCIA WATER COMPANY, INC. AND
WATER UTILITY OF GREATER BUCKEYE, INC.'S
RESPONSES TO STAFF'S INSUFFICIENCY LETTER
DATED FEBRUARY 13, 2007
DOCKET NOS. W-01212A-06-0666 AND W-02451A-06-0666
APRIL 13, 2007**

Additionally, Valencia Water Company will bring three additional well sites on-line in June of 2007: the Blue Hills Site, the Bales Site, and the Sonoran Vista Southwest Site. Each of these well sites have been constructed with arsenic treatment systems.

Valencia Water Company – Capacity Issues

The Valencia Water Company has identified the waterlines and storage facilities necessary to complete the build-out of the company. Additionally, the company has prepared the following figures to document available storage and well production capacity. Figure 1 – Well Capacity identifies the wells that will be operational in June 2007. Figure 2 – Storage Capacity depicts the available storage that will be operational in June 2007. Additionally, Figure 2 documents the well capacities that have been drilled and pump-tested within the Valencia Water Company service area and are under the company's operational control.

Tables 1 and 2 – Capacity Comparison summarizes the capacities required to service existing and future customers. In reviewing these documents, please note that the Valencia Water Company provides a minimum of 6 million gallons of construction water per month. This construction water volume was included in the capacity estimates. This construction water represents capacity to service over 550 single family residences.

With the addition of capacity at Blue Hills (300 gpm), Bales (400 gpm) and Sonoran Vista Southwest (500 gpm), the maximum water supply for the Valencia Water Company will be 2505 gpm. This supply will provide sufficient water to service customers through July 2008. As documented in Figure 2 – Well Capacity, Valencia Water Company has a significant number of wells not yet in production. These wells will be placed in service as required to meet demand into the future.

Based on this information, we believe both the water quality and water quantity is sufficient to provide for Valencia Water Company customers.

Water Utility of Greater Buckeye – Arsenic Compliance Issues

The Water Utility of Greater Buckeye ("WUGB") consists of four primary service areas. Arsenic issues have been identified in two of these service areas: Sweetwater II and Sonoran Ridge.

**VALENCIA WATER COMPANY, INC. AND
WATER UTILITY OF GREATER BUCKEYE, INC.'S
RESPONSES TO STAFF'S INSUFFICIENCY LETTER
DATED FEBRUARY 13, 2007
DOCKET NOS. W-01212A-06-0666 AND W-02451A-06-0666
APRIL 13, 2007**

Sweetwater II - The Sweetwater II site is equipped with a 30 gpm well which produces water quality with an arsenic concentration of 11 ppb. Additionally, this well site has exceeded the nitrate limit of 10 ppm. As such, an emergency agreement was established with the City of Goodyear to supply Sweetwater II customers with water from the City of Goodyear distribution system. A blending plan has been approved by MCESD to utilize the well while blending water from the City of Goodyear distribution system. This solution addresses both water quality issues for the Sweetwater II site, and provides a back-up emergency supply.

Sonoran Ridge - The Sonoran Ridge site is equipped with a 300 gpm well which produces an arsenic concentration of 12 ppb. The WUGB has elected to use centralized treatment for the site. McBride Engineering Solutions is under contract to design the facility, which is currently underway. This project is located within Maricopa County and therefore, requires a special use permit. The permit application process is currently nearing completion. A centralized treatment system is scheduled to be operational prior to the end of 2007.

Water Utility of Greater Buckeye - Capacity Issues

Table 3 - Capacity Comparison presents the capacities required to service existing and future customers within the WUGB public water systems. Please note that the Sun Valley Ranches water system supplies a significant volume of construction water. This construction water volume was included in the capacity estimates. As such, as construction volumes decrease the systems storage is adequate for the existing customer base.

This analysis provides documentation that the WUGB can currently provide sufficient water to its customers. As additional growth occurs we understand additional infrastructure will be required at these facilities. As such, we have retained McBride Engineering Solutions to develop recommendations for increasing the capacity of these systems.

RESPONDENT: Robin Bain, P.E., DEE for Graham Symmonds.

Well Summary Table

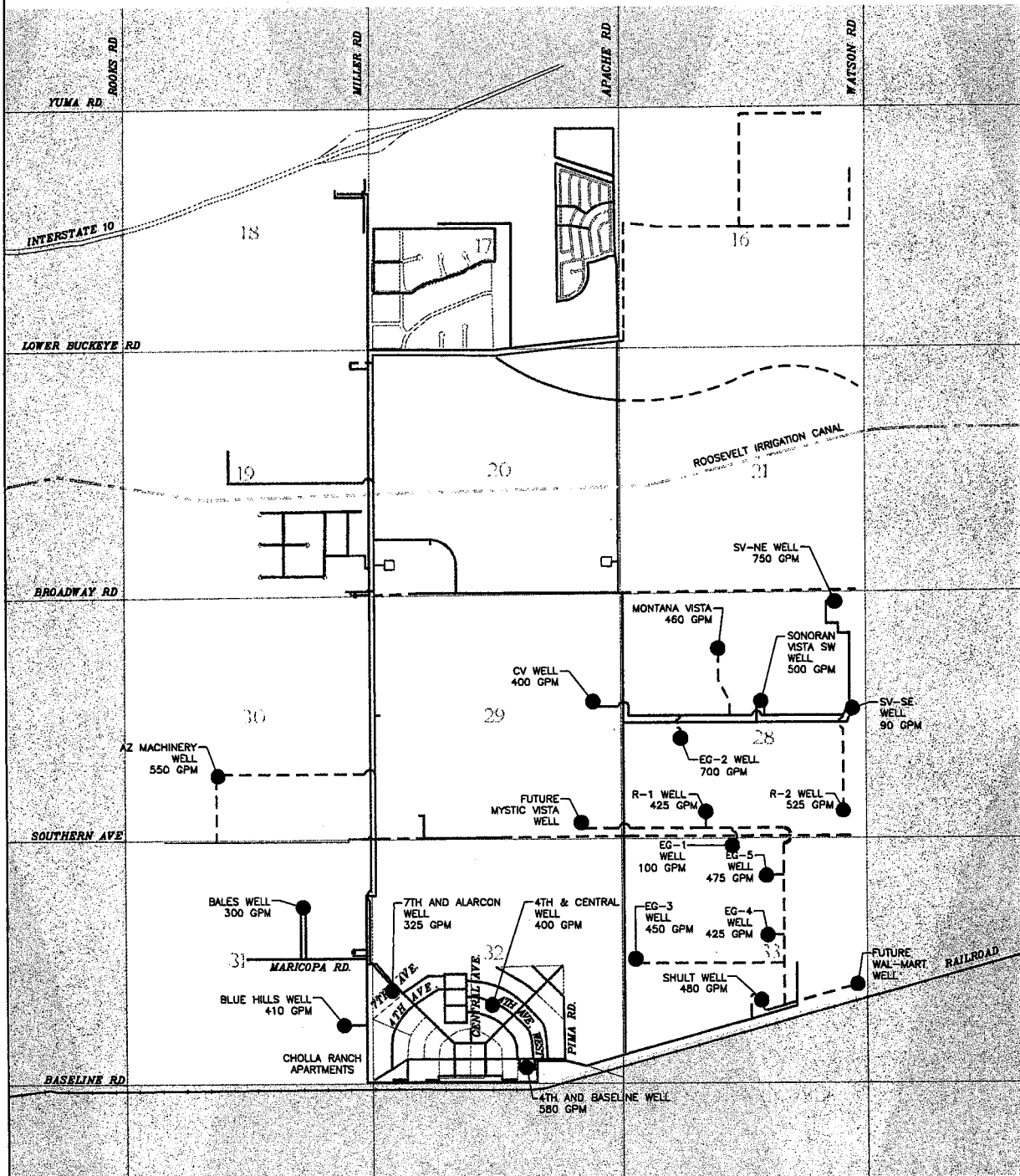


Operational Wells in June '07:

7th & Alarcon	325 GPM
4th & Baseline	580 GPM
4th & Central	400 GPM
Blue Hills	410 GPM
Sonoran Vista SW	500 GPM
Bales	300 GPM
TOTAL	2,515 GPM

Wells Drilled & Tested:

Sonoran Vista SE	90 GPM
Sonoran Vista NE	750 GPM
Crystal Vista	400 GPM
Shult	480 GPM
AZ Machinery	550 GPM
Riata West 1	425 GPM
Riata West 2	525 GPM
Evergreen 1	100 GPM
Evergreen 2	700 GPM
Evergreen 3	450 GPM
Evergreen 4	425 GPM
Evergreen 5	475 GPM
Montana Vista	460 GPM
TOTAL	5,830 GPM



VALENCIA WATER COMPANY
TABLE 1 - STORAGE CAPACITY

1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100	2101	2102	2103	2104	2105	2106	2107	2108	2109	2110	2111	2112	2113	2114	2115	2116	2117	2118	2119	2120	2121	2122	2123	2124	2125	2126	2127	2128	2129	2130	2131	2132	2133	2134	2135	2136	2137	2138	2139	2140	2141	2142	2143	2144	2145	2146	2147	2148	2149	2150	2151	2152	2153	2154	2155	2156	2157	2158	2159	2160	2161	2162	2163	2164	2165	2166	2167	2168	2169	2170	2171	2172	2173	2174	2175	2176	2177	2178	2179	2180	2181	2182	2183	2184	2185	2186	2187	2188	2189	2190	2191	2192	2193	2194	2195	2196	2197	2198	2199	2200	2201	2202	2203	2204	2205	2206	2207	2208	2209	2210	2211	2212	2213	2214	2215	2216	2217	2218	2219	2220	2221	2222	2223	2224	2225	2226	2227	2228	2229	2230	2231	2232	2233	2234	2235	2236	2237	2238	2239	2240	2241	2242	2243	2244	2245	2246	2247	2248	2249	2250	2251	2252	2253	2254	2255	2256	2257	2258	2259	2260	2261	2262	2263	2264	2265	2266	2267	2268	2269	2270	2271	2272	2273	2274	2275	2276	2277	2278	2279	2280	2281	2282	2283	2284	2285	2286	2287	2288	2289	2290	2291	2292	2293	2294	2295	2296	2297	2298	2299	2300	2301	2302	2303	2304	2305	2306	2307	2308	2309	2310	2311	2312	2313	2314	2315	2316	2317	2318	2319	2320	2321	2322	2323	2324	2325	2326	2327	2328	2329	2330	2331	2332	2333	2334	2335	2336	2337	2338	2339	2340	2341	2342	2343	2344	2345	2346	2347	2348	2349	2350	2351	2352	2353	2354	2355	2356	2357	2358	2359	2360	2361	2362	2363	2364	2365	2366	2367	2368	2369	2370	2371	2372	2373	2374	2375	2376	2377	2378	2379	2380	2381	2382	2383	2384	2385	2386	2387	2388	2389	2390	2391	2392	2393	2394	2395	2396	2397	2398	2399	2400	2401	2402	2403	2404	2405	2406	2407	2408	2409	2410	2411	2412	2413	2414	2415	2416	2417	2418	2419	2420	2421	2422	2423	2424	2425	2426	2427	2428	2429	2430	2431	2432	2433	2434	2435	2436	2437	2438	2439	2440	2441	2442	2443	2444	2445	2446	2447	2448	2449	2450	2451	2452	2453	2454	2455	2456	2457	2458	2459	2460	2461	2462	2463	2464	2465	2466	2467	2468	2469	2470	2471	2472	2473	2474	2475	2476	2477	2478	2479	2480	2481	2482	2483	2484	2485	2486	2487	2488	2489	2490	2491	2492	2493	2494	2495	2496	2497	2498	2499	2500	2501	2502	2503	2504	2505	2506	2507	2508	2509	2510	2511	2512	2513	2514	2515	2516	2517	2518	2519	2520	2521	2522	2523	2524	2525	2526	2527	2528	2529	2530	2531	2532	2533	2534	2535	2536	2537	2538	2539	2540	2541	2542	2543	2544	2545	2546	2547	2548	2549	2550	2551	2552	2553	2554	2555	2556	2557	2558	2559	2560	2561	2562	2563	2564	2565	2566	2567	2568	2569	2570	2571	2572	2573	2574	2575	2576	2577	2578	2579	2580	2581	2582	2583	2584	2585	2586	2587	2588	2589	2590	2591	2592	2593	2594	2595	2596	2597	2598	2599	2600	2601	2602	2603	2604	2605	2606	2607	2608	2609	2610	2611	2612	2613	2614	2615	2616	2617	2618	2619	2620	2621	2622	2623	2624	2625	2626	2627	2628	2629	2630	2631	2632	2633	2634	2635	2636	2637	2638	2639	2640	2641	2642	2643	2644	2645	2646	2647	2648	2649	2650	2651	2652	2653	2654	2655	2656	2657	2658	2659	2660	2661	2662	2663	2664	2665	2666	2667	2668	2669	2670	2671	2672	2673	2674	2675	2676	2677	2678	2679	2680	2681	2682	2683	2684	2685	2686	2687	2688	2689	2690	2691	2692	2693	2694	2695	2696	2697	2698	2699	2700	2701	2702	2703	2704	2705	2706	2707	2708	2709	2710	2711	2712	2713	2714	2715	2716	2717	2718	2719	2720	2721	2722	2723	2724	2725	2726	2727	2728	2729	2730	2731	2732	2733	2734	2735	2736	2737	2738	2739	2740	2741	2742	2743	2744	2745	2746	2747	2748	2749	2750	2751	2752	2753	2754	2755	2756	2757	2758	2759	2760	2761	2762	2763	2764	2765	2766	2767	2768	2769	2770	2771	2772	2773	2774	2775	2776	2777	2778	2779	2780	2781	2782	2783	2784	2785	2786	2787	2788	2789	2790	2791	2792	2793	2794	2795	2796	2797	2798	2799	2800	2801	2802	2803	2804	2805	2806	2807	2808	2809	2810	2811	2812	2813	2814	2815	2816	2817	2818	2819	2820	2821	2822	2823	2824	2825	2826	2827	2828	2829	2830	2831	2832	2833	2834	2835	2836	2837	2838	2839	2840	2841	2842	2843	2844	2845	2846	2847	2848	2849	2850	2851	2852	2853	2854	2855	2856	2857	2858	2859	2860	2861	2862	2863	2864	2865	2866	2867	2868	2869	2870	2871	2872	2873	2874	2875	2876	2877	2878	2879	2880	2881	2882	2883	2884	2885	2886	2887	2888	2889	2890	2891	2892	2893	2894	2895	2896	2897	2898	2899	2900	2901	2902	2903	2904	2905	2906	2907	2908	2909	2910	2911	2912	2913	2914	2915	2916	2917	2918	2919	2920	2921	2922	2923	2924	2925	2926	2927	2928	2929	2930	2931	2932	2933	2934	2935	2936	2937	2938	2939	2940	2941	2942	2943	2944	2945	2946	2947	2948	2949	2950	2951	2952	2953	2954	2955	2956	2957	2958	2959	2960	2961	2962	2963	2964	2965	2966	2967	2968	2969	2970	2971	2972	2973	2974	2975	2976	2977	2978	2979	2980	2981	2982	2983	2984	2985	2986	2987	2988	2989	2990	2991	2992	2993	2994	2995	2996	2997	2998	2999	3000
1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100	2101	2102	2103	2104	2105	2106	2107	2108	2109	2110	2111	2112	2113	2114	2115	2116	2117	2118	2119	2120	2121	2122	2123	2124	2125	2126	2127	2128	2129	2130	2131	2132	2133	2134	2135	2136	2137	2138	2139	2140	2141	2142	2143	2144	2145	2146	2147	2148	2149	2150	2151	2152	2153	2154	2155	2156	2157	2158	2159	2160	2161	2162	2163	2164	2165	2166	2167	2168	2169	2170	2171	2172	2173	2174	2175	2176	2177	2178	2179	2180	2181	2182	2183	2184	2185	2186	2187	2188	2189	2190	2191	2192	2193	2194	2195	2196	2197	2198	2199	2200	2201	2202	2203	2204	2205	2206	2207	2208	2209	2210	2211	2212	2213	2214	2215	2216	2217	2218	2219	2220	2221	2222	2223	2224	2225	2226	2227	2228	2229	2230	2231	2232	2233	2234	2235	2236	2237	2238	2239	2240	2241	2242	2243	2244	2245	2246	2247	2248	2249	2250	2251	2252	2253	2254	2255	2256	2257	2258	2259	2260	2261	2262	2263	2264	2265	2266	2267	2268	2269	2270	2271	2272	2273	2274	2275	2276	2277	2278	2279	2280	2281	2282	2283	2284	2285	2286	2287	2288	2289	2290	2291	2292	2293	2294	2295	2296	2297	2298	2299	2300	2301	2302	2303	2304	2305	2306	2307	2308	2309	2310	2311	2312	2313	2314	2315	2316	2317	2318	2319	2320	2321	2322	2323	2324	2325	2326	2327	2328	2329	2330	2331	2332	2333																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																											

Note: The existing storage is sufficient through August 2007.
Note: Additional Storage coming on line in June 2007 is sufficient storage beyond 2008

TABLE 2. WELL CAPACITY

[illegible]

Note: The existing well capacity is sufficient through February 2007, however the 410 gpm BlueHills well is being commissioned on April 12, 2007. Newer Additional well capacity coming on line in June 2007 is sufficient well capacity to beyond July 2008.

**Water Utility of Greater Buckeye
Table 3 - Capacity Comparison**

A.A.C. R18-5-503 Storage Requirements
Minimum Storage Capacity = Average Daily Demand during Peak Month

Water System	Peak Mth Usage July, 2006 (1000 gal/mth)	Average Daily Peak Mth Use July, 2006 (gal/day)	# Customers (July, 2006)	Average Daily Peak Mth Use per Customer (gal/day)	# Customers (March, 2007)	Average Daily Peak Mth Use 2007 (gal/day) - Minimum Storage Requirement	Available Storage (gal)	Storage Capacity Status
Bulfer/Primrose	1,404	45,290	87	521	88	45,811	140,000	SUFF
Sonoran Ridge	1,636	52,774	60	880	58	51,015	200,000	SUFF
Sun Valley Ranches	5,897	190,226	372	511	386	197,385	200,000	SUFF
Sweetwater II*	1,386	44,710	91	491	93	45,692	44,000	INSUFF*

*Sweetwater II storage is in compliance with the AAC as a minimum 15 gpm is supplied by the City of Goodyear.

**VALENCIA WATER COMPANY, INC. AND
WATER UTILITY OF GREATER BUCKEYE, INC.'S
RESPONSES TO STAFF'S INSUFFICIENCY LETTER
DATED FEBRUARY 13, 2007
DOCKET NOS. W-01212A-06-0666 AND W-02451A-06-0666
APRIL 13, 2007**

2. According to the Application, there are plans for a recharge project, addition of pipeline to the Valencia system which will provide a new water source, and consolidation of Valencia and WUGB. According to the submitted response to Staff's Insufficiency Letter, the Company is planning to add at least 13 new wells to Valencia water system within the next 2 years and install water treatment systems.

It's not clear if Valencia and WUGB's water systems will be interconnected. It is also not clear if and when the Valencia water system will be connected to the recharge project. Please explain.

RESPONSE: At this time, there are no plans to interconnect the Valencia Water Company and WUGB water systems, or to connect the systems to the Hassayampa recharge project. If sufficient development occurs to justify the interconnection of the water systems, or connection to the recharge project, this decision may be revisited.

RESPONDENT: Robin Bain, P.E., DEE for Graham Symmonds.

**VALENCIA WATER COMPANY, INC. AND
WATER UTILITY OF GREATER BUCKEYE, INC.'S
RESPONSES TO STAFF'S INSUFFICIENCY LETTER
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APRIL 13, 2007**

3. Please provide a report for the future water infrastructure and treatment. The Report should include the following data:
- a). Description
 - b). Location (layout plans)
 - c). Capacities
 - d). Costs
 - e). Projected date of operation

RESPONSE: Future water infrastructure, apart from that required for water quality, will be driven by development activities. Anticipated infrastructure requirements for Valencia Water Company to meet development needs are summarized below. Details about future infrastructure are not available for the WUGB, as none are required or anticipated at this writing, other than the Sonoran Ridge Arsenic Treatment Facility, summarized below.

Valencia Water Company

Future Infrastructure

Proposed off-site water mains and storage reservoirs have been identified in the Valencia Water Company and will be constructed as development activities increase. Additional well and treatment capacity will be established as developers provide additional well capacity to the Valencia Water Company. The following documents summarize the infrastructure activities for the Valencia Water Company:

Figure 3 – Build-out Infrastructure Map
Table 4 – Future Storage Reservoirs
Table 5 – Future Waterlines

**VALENCIA WATER COMPANY, INC. AND
WATER UTILITY OF GREATER BUCKEYE, INC.'S
RESPONSES TO STAFF'S INSUFFICIENCY LETTER
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APRIL 13, 2007**

Water Utility of Greater Buckeye

Sonoran Ridge Arsenic Treatment Facility

The Sonoran Ridge Arsenic Treatment Facility will provide arsenic treatment for the 300 gpm well supply. The facility will be located on a concrete pad within the existing site, with approximate dimensions of 10 feet by 20 feet. The project is expected to cost \$430,000 with construction complete by December of 2007.

RESPONDENT: Robin Bain, P.E., DEE for Graham Symmonds.

Valencia Water Company
Infrastructure Map
Figure 3

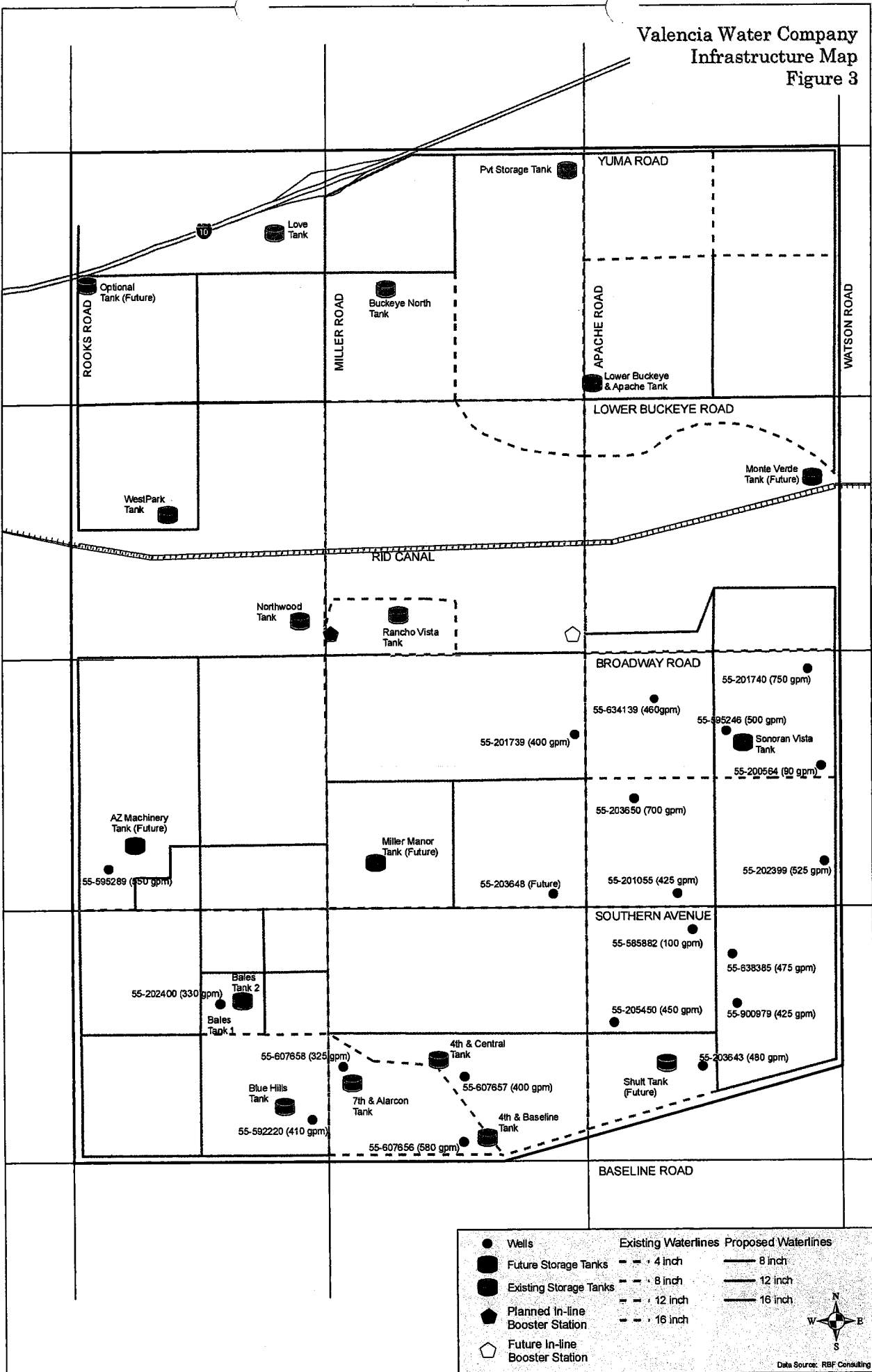


Table 4 – Future Storage Reservoirs

ID	Size (Million Gallons)	Cost (\$)
Monte Verde	3.0	3,600,000
Additional Tank	1.0	1,200,000
AZ Machinery	1.8	2,160,000
Miller Manor	0.1	150,000
Shult	1.8	2,160,000

Table 5 - Preliminary Cost Estimate for Future Waterlines

Mile Streets					
Name of Street	Description	Pipe Size (inch)	Pipe Length (feet)	Cost of pipe/linear foot*	Total Cost
Rooks Road	North of I-10 & Rooks Rd Intersection (J-58 to J-38)	12	1,320	\$60	\$79,200
	South of I-10 & Rooks Rd Intersection (J-38 to J-37)	12	2,640	\$60	\$158,400
	B/W Lower Buckeye Rd & RID Canal (J-37 to J-98)	12	2,640	\$60	\$158,400
	B/W Broadway Rd & Roeser Rd (J-26 to J-78)	8	2,640	\$50	\$132,000
	B/W Roeser Rd & Southern Ave (J-78 to J-19)	8	2,640	\$50	\$132,000
	B/W Southern Ave & Maricopa Rd (J-19 to J-12)	12	2,640	\$60	\$158,400
	B/W Maricopa Rd & Baseline Rd (J-12 to J-80)	8	2,640	\$50	\$132,000
Miller Road	B/W I-10 Interchange & Durango St (J-56 to J-40)	16	1,570	\$85	\$133,450
	B/W Durango St & Lower Buckeye Rd (J-40 to J-44)	16	2,640	\$85	\$224,400
Watson Road	B/W Yuma Rd & Durango St (J-54 to J-127)	12	2,200	\$60	\$132,000
	B/W Durango St & Lower Buckeye Rd (J-127 to J-35)	16	2,895	\$85	\$246,075
	B/W Lower Buckeye Rd & RID Canal (J-35 to J-90)	16	1,500	\$85	\$127,500
	B/W RID Canal & Broadway Rd (J-36 to J-31)	12	1,320	\$60	\$79,200
	B/W Broadway Rd & Roeser Rd (J-31 to J-72)	12	2,640	\$60	\$158,400
	B/W Roeser Rd & Southern Ave (J-72 to J-73)	12	2,640	\$60	\$158,400
	B/W Southern Ave & Baseline Rd (J-73 to J-148)	12	3,800	\$60	\$228,000
Yuma Road	B/W Miller Rd & Yuma Rd - I10 Intersection (J-56 to J-57)	16	1,972	\$85	\$167,620
	B/W Yuma Rd - I10 Intersection & 247th Ave (J-57 to J-93)	16	866	\$85	\$73,610
	B/W 247th Ave & Apache Rd (J-93 to J-48)	12	2,640	\$60	\$158,400
	B/W Apache Rd & 239th Ave (J-48 to J-53)	12	2,640	\$60	\$158,400
	B/W 239th Ave & Watson Rd (J-53 to J-54)	12	2,640	\$60	\$158,400
Lower Buckeye Road	B/W Rooks Rd & 255th Dr (J-37 to J-45)	12	2,640	\$60	\$158,400
	B/W 255th Dr & Miller Rd (J-45 to J-44)	12	2,640	\$60	\$158,400
	B/W Apache Rd & 239th Ave (J-34 to J-51)	12	2,640	\$60	\$158,400
	B/W 239th Ave & Watson Rd (J-51 to J-35)	12	2,640	\$60	\$158,400
Broadway Road	B/W Rooks Rd & 255th Dr (J-26 to J-25)	16	2,640	\$85	\$224,400
	B/W 255th Dr & Miller Rd (J-25 to J-27)	16	2,640	\$85	\$224,400
	B/W Miller Rd & Quarter-mile West of 247th Ave (J-27 to J-152)	12	1,320	\$60	\$79,200
	B/W 247th Ave & Apache Rd (J-28 to J-29)	12	2,640	\$60	\$158,400
Southern Avenue	B/W 239th Ave & Watson Rd (J-62 to J-73)	12	2,640	\$60	\$158,400
Baseline Road	B/W Rooks Rd & 255th Dr (J-80 to J-81)	8	2,640	\$50	\$132,000
	B/W 255th Dr & Miller Rd (J-81 to J-21)	8	2,640	\$50	\$132,000
	B/W 239th Ave & Watson Rd (J-104 to J-148)	12	2,640	\$60	\$158,400

Half-mile Streets					
Name of Street	Description	Pipe Size (inch)	Pipe Length (feet)	Cost of pipe/linear foot*	Total Cost
255th Dr	B/W Durango St & Lower Buckeye Rd (J-156 to J-45)	12	2,640	\$60	\$158,400
	B/W Lower Buckeye Rd & RID Canal (J-45 to J-92)	8	2,640	\$50	\$132,000
	B/W Broadway Rd & Quarter-mile north of Roeser Rd (J-25 to J-24)	8	1,320	\$50	\$66,000
	B/W Roeser Rd & Quarter-mile south of Broadway Rd (J-24 to J-23)	8	1,320	\$50	\$66,000
	B/W Roeser Rd & Quarter-mile south of Roeser Rd (J-23 to J-22)	8	1,320	\$50	\$66,000
	B/W Quarter-mile south of Roeser Rd & Southern Ave (J-22 to J-18)	8	1,320	\$50	\$66,000
	B/W Southern Ave & Quarter-mile south of Southern Ave (J-18 to J-17)	8	1,320	\$50	\$66,000
	B/W Quarter-mile north of Maricopa Rd & Maricopa Rd (J-17 to J-13)	8	1,320	\$50	\$66,000
	B/W Maricopa Rd & Baseline Rd (J-13 to J-81)	8	2,640	\$50	\$132,000
247th Avenue	B/W Durango St & Yuma Rd (J-93 to J-41)	12	2,640	\$60	\$158,400
	B/W Roeser Rd & Southern Ave (J-67 to J-64)	8	2,640	\$50	\$132,000
239th Avenue	B/W Durango St & Lower Buckeye Rd (J-52 to J-51)	12	2,819	\$60	\$175,140
	B/W Quarter-mile north of Broadway Rd & Broadway Rd (J-47 to J-30)	12	1,320	\$60	\$79,200
	B/W Broadway Rd & Roeser Rd (J-30 to J-71)	12	2,640	\$60	\$158,400
	B/W Roeser Rd & Southern Ave (J-71 to J-62)	12	2,640	\$60	\$158,400
	B/W Southern Ave & Maricopa Rd (J-62 to J-61)	16	2,640	\$85	\$224,400
Durango St	B/W Maricopa Rd & Baseline Rd (J-61 to J-104)	16	1,193	\$85	\$101,405
	B/W Rooks Rd & 255th Dr (J-38 to J-156)	16	2,640	\$85	\$224,400
	B/W 255th Dr & Miller Rd (J-156 to J-40)	16	2,640	\$85	\$224,400
Roeser Road	B/W Miller Rd & 247th Ave (J-40 to J-41)	16	2,640	\$85	\$224,400
	B/W Miller Rd & 247th Ave (J-66 to J-67)	8	2,640	\$50	\$132,000
Maricopa Road	B/W 247th Ave & Apache Rd (J-67 to J-69)	8	2,640	\$50	\$132,000
	B/W Rooks Rd & 255th Dr (J-12 to J-13)	8	2,640	\$50	\$132,000
	B/W Miller Rd & Apache Rd (J-14 to J-59)	8	5,280	\$50	\$264,000
	B/W Apache Rd & 239th Ave (J-59 to J-61)	8	2,640	\$50	\$132,000

Waterlines along property boundary					
North of Maricopa Rd	Half-mile north of Maricopa Rd, B/W 255th Dr & Miller Rd (J-17 to J-15)	8	2,640	\$50	\$132,000
Quarter section b/w Southern Ave, Roeser Rd, Rooks Rd, & 255th Dr	Half-mile East of Rooks Rd, B/W Southern Ave & Quarter-mile south of Roeser Rd (J-107 to J-108)	12	657	\$60	\$39,420
	J-107 to J-22	12	1,973	\$60	\$118,380
Quarter section b/w Southern Ave, Maricopa Rd, 255th Dr, & Miller Rd	Half-mile east of 255th Dr, B/W Southern Ave & Quarter-mile north of Maricopa Rd (J-84 to J-82)	8	1,320	\$50	\$66,000
	Half-mile east of 255th Dr, B/W Maricopa Rd & Quarter-mile south of Southern Ave (J-82 to J-101)	12	1,320	\$60	\$79,200
North of RID Canal	B/W Rooks Rd 255th Dr (J-98 to J-92)	12	2,640	\$60	\$158,400
North of Broadway Rd	B/W Apache Rd & 239th Ave (J-144 to J-47)	12	3,200	\$60	\$192,000
	B/W 239th Ave & Watson Rd (J-47 to J-36)	12	2,200	\$60	\$132,000
North of Southern Ave	Half-mile north of Southern Ave, B/W 255th Dr & Miller Rd (J-22 to J-85)	12	2,640	\$60	\$158,400

* Includes cost for furnishing, installation, and pipe fittings

ROSHKA DEWULF & PATTEN

ROSHKA DEWULF & PATTEN, PLC
ATTORNEYS AT LAW
ONE ARIZONA CENTER
400 EAST VAN BUREN STREET
SUITE 800
PHOENIX, ARIZONA 85004
TELEPHONE NO 602-256-6100
FACSIMILE 602-256-6800

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2007 JUN 22 P 3: 51

AZ CORP COMMISSION
DOCKET CONTROL

June 23, 2007

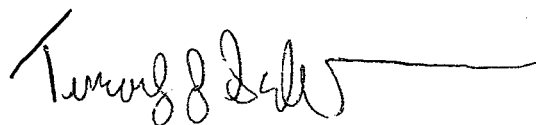
Blessing Chukwu
Utilities Division
Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007

Re: Response to Staff's 3rd Insufficiency Letter dated May 8, 2007
Docket No. W-01212A-06-0666/W-02451A-06-0666

Dear Ms. Chukwu:

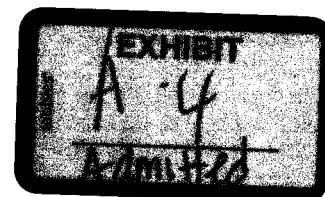
Enclosed please find the responses of Valencia Water Company and Water Utility of Greater Buckeye, Inc. to Staff's Insufficiency Letter dated May 8, 2007 in this docket.

Sincerely,



Timothy J. Sabo

TJS:da
Enclosure
cc: Docket Control



**VALENCIA WATER COMPANY, INC. AND
WATER UTILITY OF GREATER BUCKEYE, INC.'S
RESPONSES TO STAFF'S INSUFFICIENCY LETTER
DATED MAY 8, 2007
DOCKET NOS. W-01212A-06-0666 AND W-02451A-06-0666**

1. According to MCESD Compliance Status Reports, WUGB's two water systems: Sweetwater II/PWS# 07-129 and Bulfer/Primrose/PWS#07-0114 are in **Substantial** Compliance (see attached reports).

Therefore, the company should resolve all deficiencies and submit an updated MCESD Compliance Status Report confirming **full** compliance status.

RESPONSE: As the ACC is aware, Maricopa County Environmental Services Department (MCESD) is delegated by the ADEQ to manage and enforce State Safe Drinking Water Standards per AAC R-18-04. The MCESD Public Water System Compliance Status Report ("Compliance Report") form asks three key questions regarding system deficiencies, as follows:

- (1) Does the system have major treatment plant deficiencies?
- (2) Does the system have major O&M deficiencies?
- (3) Does the system have water quality monitoring/reporting deficiencies?

The referenced Compliance Reports for the Sweetwater 2 and Bulfer Primrose systems, dated 4/19/07 and 3/8/07 respectively, do in fact confirm that there are NO deficiencies in either system, with the answer to the 3 relevant questions being "NO".

The Compliance Report asks one final question of the MCESD reviewer, as follows:

General Public Water System Compliance Status?

For both Sweetwater 2 and Bulfer Primrose, the referenced reports show the answer to this question as "Substantial Compliance". According to our discussions with John Kolman, Manager of the Drinking Water Program, the term "substantial" is applied whenever there are known activities planned or underway to address a temporal issue such as, in the case of Sweetwater 2, the actions initiated by WUGB to address concerns with nitrate concentrations approaching actionable levels. While the PWS is indeed not deficient in meeting water quality or system requirements, the fact that it is in the process of performing additional sampling, implementing a new backflow prevention program or a blending plan, for example, imposes upon the MCESD according to its internal policies to add the term "substantial" to its finding of compliance.

**VALENCIA WATER COMPANY, INC. AND
WATER UTILITY OF GREATER BUCKEYE, INC.'S
RESPONSES TO STAFF'S INSUFFICIENCY LETTER
DATED MAY 8, 2007
DOCKET NOS. W-01212A-06-0666 AND W-02451A-06-0666**

WUGB has been in frequent contact with Mr. Kolman's office regarding the compliance status of the subject systems. As of this date, we expect an updated Compliance Report for Bulfer Primrose that will show "compliance". Also, given the construction and monitoring activities at Sweetwater 2 to make permanent the connection with the City of Goodyear thus enabling and formalizing our approved blending plan, we anticipate that an MCESD inspection at the end of July 2007 will yield "compliance" as well.

We respectfully submit this information as evidence that there are no deficiencies for either system, and that we are proactively working with MCESD to eliminate the need for the term "substantial" on the Compliance reports for these systems, by virtue of the completion of temporal system improvements and/or activities.

RESPONDENT: Graham Symmonds, SVP Regulatory and Compliance

ROSHKA DeWULF & PATTEN

ROSHKA DeWULF & PATTEN, PLC
ATTORNEYS AT LAW
ONE ARIZONA CENTER
400 EAST VAN BUREN STREET
SUITE 800
PHOENIX, ARIZONA 85004
TELEPHONE NO 602-256-6100
FACSIMILE 602-256-6800

June 26, 2007

Ms. Blessing Chukwu
Executive Consultant III
Utilities Division
Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007

Re: Supplemental Response to Staff's 3rd Insufficiency Letter dated May 8, 2007
Docket No. W-01212A-06-0666/W-02451A-06-0666

Dear Ms. Chukwu:

Enclosed please find a copy of the June 18, 2007, Public Water System Compliance Status Report for the Bulfer Water System, PWS ID#07-0114.

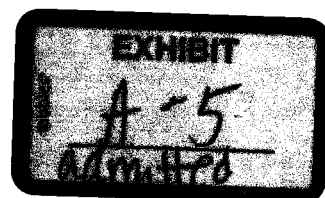
Sincerely,



Timothy J. Sabo

TJS:da
Enclosure
cc: Docket Control (13 copies + the original)

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2007 JUN 26 P 2:30
AZ CORP COMMISSION
DOCKET CONTROL





Maricopa County
Environmental Services Department

PUBLIC WATER SYSTEM COMPLIANCE STATUS REPORT

System Name: Bulfer Water system
PWS ID#: 07-114

Type of System: Community Number of POE's: 1 Surface Water: n/a
Number of Service Connections: 82 Population Served: 246

Assigned Monitoring Dates - Initial: 1/1/95 Phase II: 1/1/95 Phase V: 1/1/98

Does the water system have a Certified Operator? Yes

Does the system have major treatment plant deficiencies? No
Please describe: _____

Date of last inspection: November 1, 2006

Does the system have major O & M deficiencies? No
Please describe: Note: "Compliant" status is contingent on successful implementation and maintenance of required backflow prevention plan. ACC backflow tariff is recommended.

Does the system have water quality monitoring/reporting deficiencies? No
Please describe: 2nd quarter Nitrate results are not yet recorded in the SDWIS database.
Backflow plan addresses coliform MCL from Oct 2006.

General Public Water System Compliance Status? Compliant

Date of compliance review: 6/18/07 By: Duncan Wright Initials: dw
Phone: (602) 506-5173

Requested By: Susan Armijo Fax Number/ Contact: _____ Tracking Number: 1329
Supervisor Initials: GY Date: 6/25/07

Drinking Water Program
John Kolman, Manager

1001 N. Central Ave., Suite 150 Phoenix, Arizona 85004-1940 Phone: (602) 506-6666 Fax: (602) 506-6925

BEFORE THE ARIZONA CORPORATION COMMISSION

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2007 AUG 29 P 3 57

COMMISSIONERS

MIKE GLEASON, Chairman
WILLIAM A. MUNDELL
JEFF HATCH-MILLER
KRISTIN K. MAYES
GARY PIERCE

AZ CORP COMMISSION
DOCKET CONTROL

IN THE MATTER OF THE JOINT
APPLICATION OF WATER UTILITY OF
GREATER BUCKEYE, INC. AND
VALENCIA WATER COMPANY, INC. TO
TRANSFER THE ASSETS, INCLUDING THE
CERTIFICATES OF CONVENIENCE AND
NECESSITY, OF WATER UTILITY OF
GREATER BUCKEYE, INC. TO VALENCIA
WATER COMPANY.

Docket No. W-01212A-06-0666
Docket No. W-02451A-06-0666

**NOTICE OF FILING AFFIDAVIT
OF PUBLICATION AND AFFIDAVIT
OF MAILING**

Valencia Water Company, Inc. ("Valencia") and Water Utility of Greater Buckeye, Inc. ("Buckeye")(collectively, the "Applicants") file the Affidavit of Publication and Affidavit of Mailing.

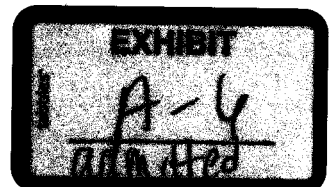
RESPECTFULLY SUBMITTED this 29th day of August 2007.

ROSHKA DEWULF & PATTEN, PLC

By Timothy J. Sabo
Michael W. Patten
Timothy J. Sabo
One Arizona Center
400 East Van Buren Street, Suite 800
Phoenix, Arizona 85004

Original + 15 copies of the foregoing
filed this 29th day of August 2007, with:

Docket Control
ARIZONA CORPORATION COMMISSION
1200 West Washington
Phoenix, Arizona 85007



ROSHKA DEWULF & PATTEN, PLC
ONE ARIZONA CENTER
400 EAST VAN BUREN STREET - SUITE 800
PHOENIX, ARIZONA 85004
TELEPHONE NO 602-256-6100
FACSIMILE 602-256-6800

1 Copies of the foregoing hand-delivered/mailed
2 this 29th day of August 2007, to:

3 Lyn A. Farmer, Esq.
4 Chief Administrative Law Judge
5 Hearing Division
6 Arizona Corporation Commission
7 1200 West Washington
8 Phoenix, Arizona 85007

9 Christopher C. Kempley, Esq.
10 Chief Counsel, Legal Division
11 Arizona Corporation Commission
12 1200 West Washington
13 Phoenix, Arizona 85007

14 Ernest G. Johnson, Esq.
15 Director, Utilities Division
16 Arizona Corporation Commission
17 1200 West Washington
18 Phoenix, Arizona 85007

19 
20 _____

WEST VALLEY BUSINESS

200 W. Wigwam Blvd., Litchfield Park, Az. 85340-4636 ♦ (623) 535-8439 ♦ Fax: (623) 935-2103

AFFIDAVIT OF PUBLICATION

State of Arizona

County of Maricopa

I, Elliott Freireich, publisher of West Valley View and West Valley Business, newspapers of general circulation in Avondale, Buckeye, Goodyear, Litchfield Park and Tolleson, Arizona, attest that the legal advertisement for

Water Utility of Greater Buckeye, Inc. and
Valencia Water Company Inc. - Public Notice
Notice of Hearing on the joint of these companies
to transfer the assets and the certificate of convenience
and necessity of Water Utility of Greater Buckeye, Inc.
to Valencia Water Company. Docket Number W-02121A-06-a
will be has been published on August 14, 2007. ET AL.



Elliott Freireich
President, West Valley View Inc.

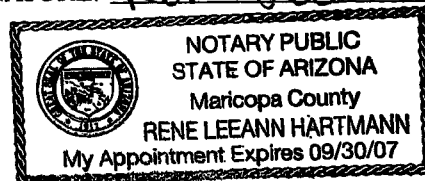
August 13, 2007.
Date

SUBSCRIBED AND SWORN TO BEFORE ME ON THE

13 DAY OF August (Month) 2007 (YEAR)

NOTARY SIGNATURE:

Rene Leeann Hartmann



Public Notice

**PUBLIC NOTICE OF HEARING ON THE JOINT APPLICATION OF WATER UTILITY OF
GREATER BUCKEYE INC., AND VALENCIA WATER COMPANY INC., TO TRANSFER THE
ASSETS AND THE CERTIFICATE OF CONVENIENCE AND NECESSITY OF WATER UTILITY OF
GREATER BUCKEYE INC., TO VALENCIA WATER COMPANY
DOCKET NUMBER W-02121A-06-0666 ET AL.**

On October 16, 2006, Water Utility of Greater Buckeye, Inc. ("Buckeye") and Valencia Water Company Inc. ("Valencia") (collectively "Companies"), filed with the Arizona Corporation Commission ("Commission") a joint application to transfer Buckeye's assets and its Certificate of Convenience and Necessity ("CC&N") to Valencia. The Commission's Utilities Division ("Staff") has not yet made a recommendation regarding the Companies' application, and the Commission is not bound by the proposals made by the Company, Staff, or any intervenors. The Commission will issue a decision regarding the Companies' application following consideration of testimony and evidence presented at an evidentiary hearing. Copies of the application are available at the Companies' offices at 21410 N. 19th Avenue, Suite 201, Phoenix, AZ 85027 and the Commission's offices at 1200 West Washington, Phoenix, Arizona, for public inspection during regular business hours and on the internet via the Commission website (www.azcc.gov) using the e-docket function.

The Commission will hold a hearing on this matter beginning **October 10, 2007, at 10:00 a.m.**, at the Commission's offices, 1200 West Washington, Phoenix, Arizona. Public comments will be taken on the first day of the hearing. Written public comments may be submitted via email (visit <http://www.azcc.gov/utility/cons/index.htm> for instructions), or by mailing a letter referencing Docket Number W-02121A-06-0666 ET AL to: Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007.

The law provides for an open public hearing at which, under appropriate circumstances, interested parties may intervene. Any person or entity entitled by law to intervene and having a direct and substantial interest in the matter will be permitted to intervene. If you would like to intervene, you must file a written motion to intervene with the Commission, and you must send copies of the motion to the Company or its counsel, and to all parties of record in the case. Your motion to intervene must contain the following:

1. Your name, address, and telephone number, and the name, address, and telephone number of any party upon whom documents are to be served in your place, if desired.
2. A short statement of your interest in the proceeding (e.g., a customer of the Company, a shareholder of the Company, etc.).
3. A statement certifying that a copy of your motion to intervene has been mailed to the Company or its counsel and to all parties of record in the case.

The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except that all motions to intervene must be filed on or before September 21, 2007. The granting of intervention, among other things, entitles a party to present sworn evidence at hearing and to cross-examine other witnesses. However, failure to intervene will not preclude any customer from appearing at the hearing and making a statement on such customer's own behalf.

If you have any questions about this application, you may contact the Company at (602) 580-9600. If you wish to file written comments on the application or want further information on intervention you may contact the Consumer Services Section of the Commission at 1200 W. Washington St., Phoenix, AZ 85007, or call 1-800-222-7000.

The Commission does not discriminate on the basis of disability in admission to its public meetings. Persons with a disability may request a reasonable accommodation such as a sign language interpreter, as well as request this document in an alternative format, by contacting the ADA Coordinator Linda Hogan, E-mail Lhogan@azcc.gov, voice phone number 602/542-3931. Requests should be made as early as possible to allow time to arrange the accommodation.

Published in the West Valley View, and the West Valley Business, on August 14, 2007.

EXHIBIT A-7

BEFORE THE ARIZONA CORPORATION COMMISSION
RECEIVED

COMMISSIONERS

MIKE GLEASON, Chairman

WILLIAM A. MUNDELL

JEFF HATCH-MILLER

KRISTIN K. MAYES

GARY PIERCE

2007 SEP 21 P 3:44

AZ CORP COMMISSION
DOCKET CONTROL

IN THE MATTER OF THE JOINT
APPLICATION OF WATER UTILITY OF
GREATER BUCKEYE, INC. AND
VALENCIA WATER COMPANY, INC. TO
TRANSFER THE ASSETS, INCLUDING THE
CERTIFICATES OF CONVENIENCE AND
NECESSITY, OF WATER UTILITY OF
GREATER BUCKEYE, INC. TO VALENCIA
WATER COMPANY.

Docket No. W-01212A-06-0666

Docket No. W-02451A-06-0666

RESPONSE TO STAFF REPORT

Valencia Water Company, Inc. ("Valencia") and Water Utility of Greater Buckeye, Inc. ("WUGB")(collectively, the "Applicants" or the "Global Utilities") respectfully provide this response to the Staff Report in this docket. The Global Utilities agree with the vast majority of the Staff Report. However, the Global Utilities request that two of the proposed conditions be eliminated or modified. In addition, the Global Utilities request the option of carrying out the transfer from WUGB to Valencia in the form of either an asset purchase and sale, or a merger pursuant to a plan of merger.

I. Staff Proposed Condition No. 6 and 7.

The Applicants are now ultimately owned by Global Water Resources, LLC ("Global Parent"). Before this purchase, the Applicants' systems suffered from numerous operational and engineering deficiencies. After the purchase, Global Parent has invested substantial time, effort and money into upgrading these systems. These efforts have already borne fruit. However, there is still work to do. One example is WUGB's "Sweetwater II" system. The Global Utilities and Staff agree that this system lacks sufficient production capacity to serve its existing 93 customers. In addition, the well for this system has nitrate issues. As in interim measure, WUGB established



1 a temporary interconnection with the City of Goodyear's system. WUGB is working with
2 Goodyear to establish a permanent interconnection with Goodyear's system. As part of this
3 interconnection, WUGB will blend the Goodyear water with the water from the Sweetwater II
4 well, which will eliminate the nitrate problem.

5 Staff proposed two conditions regarding Sweetwater II. Condition 6 requires WUGB to
6 obtain an "Approval of Construction" or "AOC" for a storage tank of at least 16,000 gallons, and
7 Condition 7 requires WUGB to obtain an AOC for the interconnection with Goodyear. Both of
8 these requirements are due with six months of the Commission's decision. The Global Utilities
9 agree with these conditions, but they request 12 months to comply with Conditions 6 and 7.

10 The permanent interconnect with Goodyear is designed to provide up to 60 gallons per
11 minute ("GPM"). Thus, the total production capacity of the Sweetwater II system is 100 GPM (60
12 GPM from Goodyear plus 40 GPM from the well). This is more than sufficient capacity to serve
13 93 customers. However, because the well water must be blended before it can be used, this is
14 equivalent to having a single 100 GPM source. Accordingly, Staff is correct to recommend that
15 storage be added to the system, in case the Goodyear interconnection is temporarily out of service.
16 Based on prior experience with timeframes for design, construction, and obtaining regulatory
17 approvals from other agencies, the Global Utilities believe that a 12 month deadline would be
18 more appropriate for Conditions 6 and 7.

19 **II. Staff Proposed Condition No. 10.**

20 This condition concerns the condemnation lawsuit filed by the Town of Buckeye ("Town")
21 against WUGB. (Maricopa County Superior Court, Case No. CV2006-010954). Staff
22 recommends that Valenica file a quarterly status report regarding this litigation, which "shall
23 remain in place until further Order of the Commission." This condition is not necessary because
24 the condemnation lawsuit will be dismissed. The Judge has already issued a minute entry ruling
25 that Town did not comply with the State's open meeting law when authorizing the lawsuit. This
26 means that the lawsuit must be dismissed. The only remaining issue to be resolved involves
27 attorney's fees. A settlement of that issue is pending, after which the court will enter a final

1 judgment dismissing the case. Because the court has already ruled against the Town, this
2 condition is not needed. But if it is adopted, then the Commission should add "or until the Court
3 enters a Final Judgment resolving the case" to the end of the condition.

4 **III. Form of Transfer.**

5 The Global Utilities originally proposed this transfer as an asset sale. However, upon
6 further consideration, the Global Utilities believe that it would be beneficial to have the flexibility
7 to carry out the transfer as either an asset sale, or a merger pursuant to a plan of merger under the
8 Arizona Revised Statutes. The Global Utilities are continuing to evaluate the potential income tax
9 and accounting implications of the transfer. They therefore request permission to carry out the
10 transfer from WUGB to Valencia as either an asset sale (assets sold by WUGB to Valencia) or as a
11 merger pursuant to a plan of merger (merging WUGB into Valencia). In either case, the end state
12 will be the same – Valencia will hold the CC&N and assets currently held by WUGB. And in both
13 cases, Valencia will have two divisions with separate rates (i.e. the former WUGB customers will
14 continue to pay the same rates).

15 **IV. Conclusion.**

16 The Global Utilities also disagree with Staff's conclusion that the WUGB systems offer
17 fire flow. The existing hydrants for those systems are only used for line flushing and maintenance
18 purposes. The Buckeye Valley Fire District is aware of this and does not require fire flow for
19 these systems. However, it does not appear that this disagreement would impact any of Staff's
20 recommendations or conditions, so the Commission need not resolve this issue at this time.

21 The Global Utilities therefore request that the Commission:

- 22 • Give twelve months to comply with Conditions 6 and 7;
- 23 • Eliminate Condition 10, or in the alternative, add "or until the Court enters a Final
24 Judgment resolving the case" to the end of Condition 10; and
- 25 • Allow the Global Utilities to carry out the transfer as either an asset sale or a
26 merger pursuant to a plan of merger.

ROSKA DEWULF & PATTEN, PLC
ONE ARIZONA CENTER
400 EAST VAN BUREN STREET - SUITE 800
PHOENIX, ARIZONA 85004
TELEPHONE NO 602-256-6100
FACSIMILE 602-256-6800

1 RESPECTFULLY SUBMITTED this 21st day of September, 2007.

2
3 ROSKA DEWULF & PATTEN, PLC

4
5 By 

6 Michael W. Patten
7 Timothy J. Sabo
8 One Arizona Center
9 400 East Van Buren Street, Suite 800
10 Phoenix, Arizona 85004

11 Original + 15 copies of the foregoing
12 filed this 21st day of September 2007, with:

13 Docket Control
14 ARIZONA CORPORATION COMMISSION
15 1200 West Washington
16 Phoenix, Arizona 85007

17 Copies of the foregoing hand-delivered/mailed
18 this 21st day of September 2007, to:

19 Lyn A. Farmer, Esq.
20 Chief Administrative Law Judge
21 Hearing Division
22 Arizona Corporation Commission
23 1200 West Washington
24 Phoenix, Arizona 85007

25 Christopher C. Kempley, Esq.
26 Chief Counsel, Legal Division
27 Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007

Ernest G. Johnson, Esq.
Director, Utilities Division
Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007



EXHIBIT

A-8
admitted

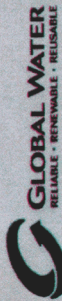


Exhibit 4 - Water Utility of Greater Buckeye & Valencita Water Company

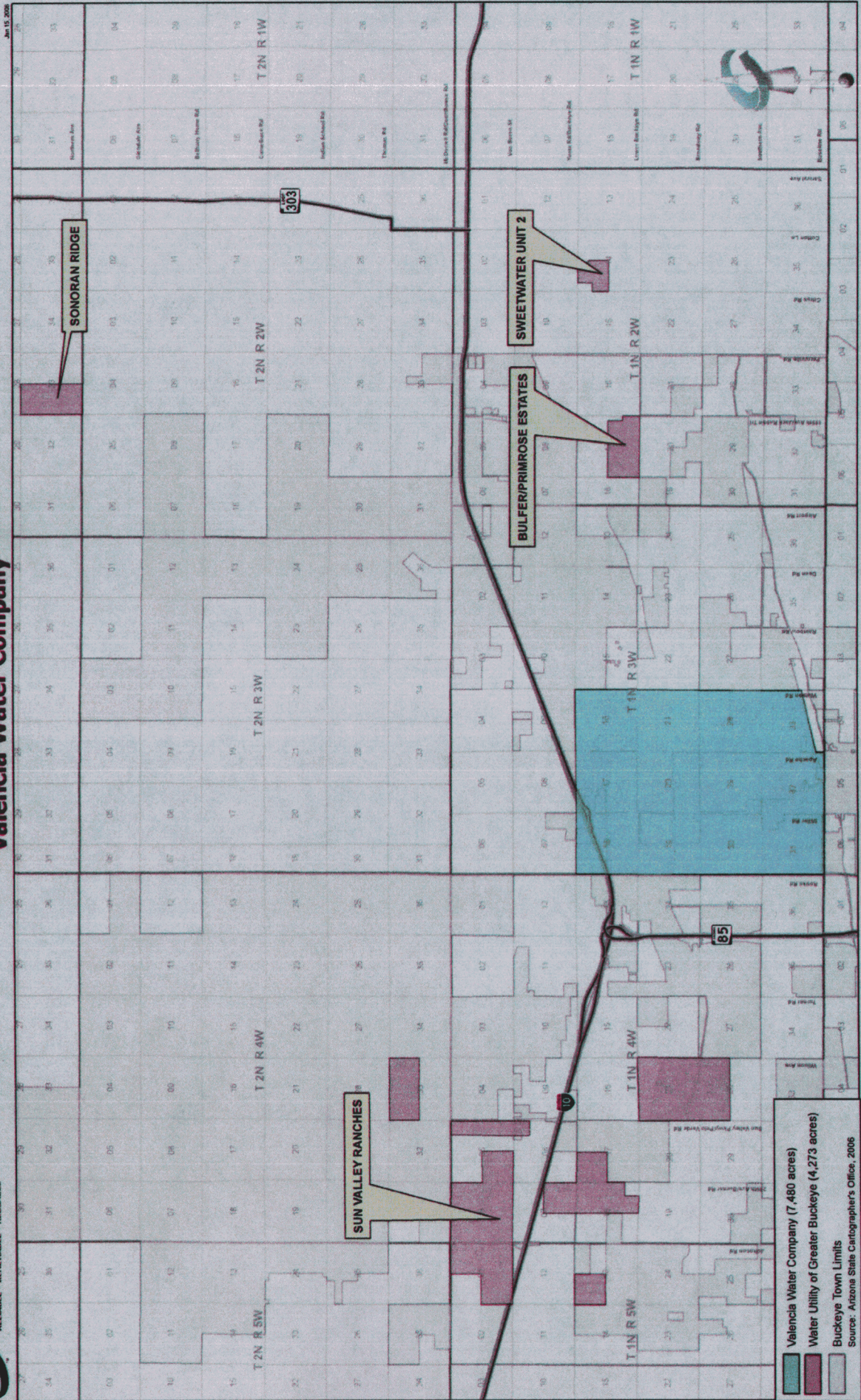


EXHIBIT A-9

Michael K. Jeanes, Clerk of Court
*** Electronically Filed ***
12/25/2006 8:00 AM

**SUPERIOR COURT OF ARIZONA
MARICOPA COUNTY**

CV 2006-010954

12/22/2006

JUDGE ROBERT E. MILES

CLERK OF THE COURT
K. Ballard
Deputy

BUCKEYE TOWN

DAVID A PENNARTZ

v.

WATER UTILITY OF GREATER BUCKEYE
INC, et al.

MARTIN A ARONSON

JOHN W PAULSEN

HEARING / RULING

10:29 a.m. This is the time set for Oral Argument re: Defendant Water Utility of Greater Buckeye, Inc.'s Motion for Summary Judgment. Plaintiff is represented by counsel, David A. Pennartz and Ian D. Quinn. Defendant Water Utility of Greater Buckeye, Inc. is represented by counsel, Martin A. Aronson and Robert J. Moon.

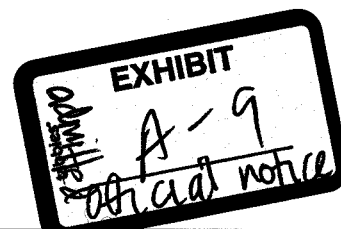
A record of the proceedings is made by CD (FTR) in lieu of a court reporter.

Oral argument is presented.

Based on the record as presented in this case,

The Court finds a violation of the open-meeting law.

Discussion is held regarding how the case should proceed based on the Court's finding.



SUPERIOR COURT OF ARIZONA
MARICOPA COUNTY

CV 2006-010954

12/22/2006

The Court will not enter final judgment at this time. Should Plaintiff take action to ratify pursuant to the statute, the parties will be permitted to brief the issue of whether any attempted ratification is valid.

FILED: June 27, 2006 letter/report of Harold V. Morgan; Ordinance No. 54-06 (signed version); and Harold V. Morgan, Civil Engineer Curriculum Vitae

10:53 a.m. Matter concludes.

EXHIBIT A-10

Michael K. Jeanes, Clerk of Court
*** Electronically Filed ***
05/04/2007 8:00 AM

**SUPERIOR COURT OF ARIZONA
MARICOPA COUNTY**

CV 2006-010954

05/02/2007

JUDGE ROBERT E. MILES

CLERK OF THE COURT
K. Ballard
Deputy

BUCKEYE TOWN

DAVID A PENNARTZ

v.

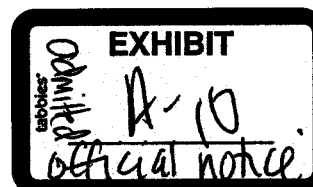
WATER UTILITY OF GREATER BUCKEYE
INC, et al.

MARTIN A ARONSON

RULING

The Court has had under advisement the Water Utility of Greater Buckeye, Inc.'s Motion for Summary Judgment re: Ratification. Having considered the parties' memoranda and oral arguments, and having reviewed *in camera* an audio CD containing a recording of 37 minutes of the 48 minute executive session in question,

IT IS ORDERED granting the Motion for Summary Judgment. The Town did not comply with the ratification requirements of ARS § 38-431.05 because it did not provide the public with a detailed written description of all deliberations and consultations by members of the council that preceded and related to the adoption of Ordinance 54-06 on June 29, 2006.



LEGAL

FILE COPY

MEMORANDUM

TO: Docket Control

FROM: Ernest G. Johnson
Director
Utilities Division

Date: September 7, 2007

RE: STAFF REPORT FOR VALENCIA WATER COMPANY, INC. AND WATER UTILITY OF GREATER BUCKEYE, INC. - JOINT APPLICATION FOR APPROVAL TO TRANSFER THE ASSETS AND CERTIFICATE OF CONVENIENCE AND NECESSITY OF WATER UTILITY OF GREATER BUCKEYE, INC. TO VALENCIA WATER COMPANY, INC. (DOCKET NOS. W-01212A-06-0666 AND W-02451A-06-0666)

Attached is the Staff Report for the joint application of Valencia Water Company, Inc. and Water Utility of Greater Buckeye, Inc. for approval to transfer the Assets and Certificate of Convenience and Necessity of Water Utility of Greater Buckeye, Inc. to Valencia Water Company, Inc. Staff is recommending approval with conditions.

EGJ:BNC:tdp

Originator: Blessing Chukwu

RECEIVED

SEP 10 2007

LEGAL DIV.
ARIZ. CORPORATION COMMISSION

RECEIVED

2007 SEP -7 A 8:21

AZ CORP COMMISSION
DOCKET CONTROL

EXHIBIT

tabber

S-1
admitted

Service List for: Valencia Water Company, Inc. and Water Utility of Greater Buckeye, Inc.
Docket Nos. W-01212A-06-0666 and W-02451A-06-0666

Mr. Michael W. Patton
Mr. Timothy J. Sabo
Roshka DeWulf & Patten, PLC
One Arizona Center
400 East Van Buren Street, Suite 800
Phoenix, Arizona 85004

Mr. Christopher C. Kempley
Chief, Legal Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Mr. Ernest G. Johnson
Director, Utilities Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Ms. Lyn Farmer
Chief, Hearing Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

STAFF REPORT
UTILITIES DIVISION
ARIZONA CORPORATION COMMISSION

VALENCIA WATER COMPANY, INC.
AND
WATER UTILITY OF GREATER BUCKEYE, INC.

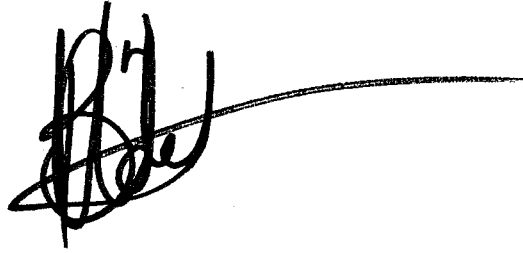
DOCKET NOS. W-01212A-06-0666 AND
W-02451A-06-0666

JOINT APPLICATION FOR APPROVAL OF THE TRANSFER OF ASSETS AND
CERTIFICATE OF CONVENIENCE AND NECESSITY OF WATER UTILITY OF
GREATER BUCKEYE, INC. TO VALENCIA WATER COMPANY, INC.

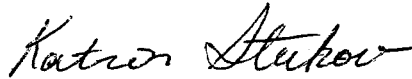
SEPTEMBER 7, 2007

STAFF ACKNOWLEDGMENT

The Staff Report for Valencia Water Company, Inc. and Water Utility of Greater Buckeye, Inc. (Docket Nos. W-01212A-06-0666 and W-02451A-06-0666) was the responsibility of the Staff members signed below. Blessing Chukwu was responsible for the review and analysis of the Company's application. Katrin Stukov was responsible for the engineering and technical analysis.

A stylized, handwritten signature in black ink, appearing to be 'B. Chukwu', with a long horizontal line extending to the right.

Blessing Chukwu
Executive Consultant

A handwritten signature in black ink, appearing to be 'Katrin Stukov', written in a cursive style.

Katrin Stukov
Utilities Engineer

EXECUTIVE SUMMARY
VALENCIA WATER COMPANY, INC. AND
WATER UTILITY OF GREATER BUCKEYE, INC.
DOCKET NOS. W-01212A-06-0666 AND W-02451A-06-0666

On October 16, 2006, Valencia Water Company, Inc. ("VWC" or "Company" or "Transferee") and Water Utility of Greater Buckeye, Inc. ("WUGB" or "Transferor") (collectively, the "Companies") filed a joint application with the Arizona Corporation Commission ("ACC" or "Commission") for approval of the transfer of assets and Certificate of Convenience and Necessity ("CC&N") of Water Utility of Greater Buckeye, Inc. to Valencia Water Company, Inc. On July 20, 2007, Staff filed a Sufficiency Letter indicating that the application had met the sufficiency requirements of the Arizona Administrative Code ("A.A.C.").

VWC and WUGB provide water service to approximately 3,890 customers and 617 customers, respectively, in and around the Town of Buckeye, Maricopa County, Arizona. By this joint application, the Companies are seeking Commission authority to transfer the assets and CC&N of WUGB to VWC. VWC's CC&N area is approximately 7,480 acres, while WUGB's CC&N area is approximately 4,273 acres. The distance between the VWC and WUGB's CC&N areas ranges from approximately 3 to 8 miles. A majority of VWC's CC&N area is within the Town of Buckeye's boundaries, whereas, a minor portion of WUGB is within the Town of Buckeye's boundaries. All customer security deposits will be transferred to the Transferee; and refunds due on Main Extension Agreements or on meter and line installations will be assumed by the Transferee. The Companies have common ownership interests, the same office address, main phone number, On-Site Manager, and Certified Operator. Staff understands that the proposed transfer of assets and CC&N from WUGB to VWC will not result in any change in the management or operation of the water system. Certified operator personnel will not change as a result of the transfer. Basically, the transfer would result in VWC having two divisions.

Based on Staff's review and analysis of the application, Staff believes VWC's water system has adequate storage capacity and inadequate source production capacity; WUGB's Sun Valley/Sweetwater I water system has adequate source production capacity and inadequate storage capacity; and WUGB's Sweetwater II water system has inadequate production and storage capacity to serve their current customer base. WUGB's Sonoran Ridge and the Bulfer/Primrose water systems have adequate source production capacity and storage capacity to serve their current customer base and a reasonable level of growth.

Staff recommends the Commission approve the joint application of VWC and WUGB for the transfer of assets and CC&N of WUGB to VWC, subject to compliance with the following condition:

1. To require VWC to charge WUGB's authorized rates and charges in the transfer area.

2. To require VWC to file with Docket Control, as a compliance item in this docket, copies of all documentation transferring ownership of WUGB's assets to VWC, within 90 days of the decision in this matter.
3. To require VWC to file with Docket Control, copies of the approval from Maricopa County and the Town of Buckeye to transfer WUGB's franchise to VWC, within 365 days of the decision in this matter.
4. To require VWC to file with Docket Control, as a compliance item in this docket, copies of the Approval of Construction ("AOC") issued by Maricopa County Environmental Services Department ("MCESD") for the addition of three wells with a total minimum production capacity of 1,200 GPM to VWC's water system, within six months of the effective date of the decision in this case.
5. To require VWC to file with Docket Control, as a compliance item in this docket, copies of the AOC issued by MCESD for the addition of a well or wells with a minimum capacity of 300 GPM to the Sun Valley/Sweetwater I water system, within six months of the effective date of the decision in this case.
6. To require VWC to file with Docket Control, as a compliance item in this docket, copies of the AOC issued by MCESD for the addition of a storage tank with a minimum capacity of 16,000 gallons to the Sweetwater II water system, within six months of the effective date of the decision in this case.
7. To require VWC to file with Docket Control, as a compliance item in this docket, copies of the AOC issued by MCESD for the interconnect/blending infrastructure for the Sweetwater II water system, within six months of the effective date of the decision in this case.
8. To require VWC to file with Docket Control, as a compliance item in this docket, copies of the AOC issued by MCESD for the arsenic treatment systems for Sonoran Ridge and VWC water systems, within six months of the effective date of the decision in this case.
9. To require VWC to file with Docket Control, as a compliance item in this docket, a copy of the MCESD Compliance Status Report showing that the Sweetwater II water system is in full compliance and delivering water that meets water quality standards required by Arizona Administrative Code, Title 18, within six months of the effective date of the decision in this case.
10. To require VWC to file with Docket Control, as a compliance item in this docket, a quarterly status report on the Town of Buckeye condemnation proceeding. The status report shall be filed within 30 days after the end of each calendar quarter and shall remain in place until further Order of the Commission.

Staff further recommends that the Commission's Decision granting the approval of transfer of Assets and CC&N of WUGB to VWC be considered null and void, after due process, should VWC fail to meet Conditions No. 2, 3, 4, 5, 6, 7, 8, and 9 listed above within the time specified.

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Introduction

On October 16, 2006, Valencia Water Company, Inc. ("VWC" or "Company" or "Transferee") and Water Utility of Greater Buckeye, Inc. ("WUGB" or "Transferor") (collectively, the "Companies") filed a joint application with the Arizona Corporation Commission ("ACC" or "Commission") for approval of the transfer of assets and Certificate of Convenience and Necessity ("CC&N") of Water Utility of Greater Buckeye, Inc. to Valencia Water Company, Inc.

On November 14, 2006, the ACC Utilities Division ("Staff") filed an Insufficiency Letter, indicating that joint application did not meet the sufficiency requirements of Arizona Administrative Code ("A.A.C.") R14-2-402(C). A copy of the Insufficiency Letter was sent to the Company via U.S mail. In the Letter, Staff listed the deficiencies that needed to be cured for administrative purposes.

On January 16, 2007, April 13, 2007, June 22, 2007, and June 26, 2007, the Company provided additional documentation to support its relief requested.

On July 20, 2007, Staff filed a Sufficiency Letter indicating that the application had met the sufficiency requirements of the A.A.C.

Background

Valencia Water Company, Inc. is an Arizona Corporation, in good standing with the Commission's Corporation Division, authorized to provide water utility services in the vicinity of the Town of Buckeye, Maricopa County, Arizona pursuant to the Commission's Decision No. 17778, issued on December 8, 1947. VWC provides service to approximately 3,890 customers.

Water Utility of Greater Buckeye, Inc. is an Arizona Corporation, in good standing with the Commission's Corporation Division, authorized to provide water utility services in and around the Town of Buckeye, Maricopa County, Arizona pursuant to authority granted by the Commission in Decision Nos. 46160 (June 16, 1975), 54121 (July 19, 1984), 41072 (December 28, 1970), 57607 (November 6, 1991), 57742 (February 22, 1992), 57808 (April 22, 1992), 59494 (January 31, 1996), and 62756 (July 25, 2000). WUGB provides service to approximately 617 customers.

The immediate parent company of VWC and WUGB is West Maricopa Combine, Inc. ("WMC"). WMC also owns Willow Water Company, Water Utility of Greater Tonopah, Inc. and Water Utility of Northern Scottsdale, Inc. VMC, WUGB, and WMC's ultimate parent company is Global Water Resources, LLC. ("Global"). According to the joint application "Global's regulated subsidiaries serve more than 30,000 customers in Arizona."

VMC, WUGB, and WMC share common Officers and Directors, office address, and main phone number. Mr. Trevor Hill (the President) and Ms. Cindy Liles (the Secretary and Treasurer) are the Officers. Both Mr. Hill and Ms. Liles are the Directors.

The Water System

VWC's water system PWS# 07-078, consists of five wells with a total production capacity of 1,180 gallon per minute ("GPM"), ten storage tanks with total storage capacity of 2,105,000 gallons, and a distribution system serving approximately 3,890 customers. VWC system provides for fire flow. Staff concludes that VWC's water system has adequate storage capacity, but inadequate well production capacity to serve the existing customer base. VWC has acknowledged this inadequacy and is proposing to add three new wells with estimated additional production capacity of 1,200 GPM. The anticipated total production capacity of 2,380 GPM should adequately serve approximately 5,570 service connections (governed by production capacity). Staff recommends that VWC file with Docket Control, as a compliance item in this docket, copies of the Approval of Construction ("AOC") issued by Maricopa County Environmental Services Department ("MCESD") for the addition of three wells with a total minimum production capacity of 1,200 GPM to VWC's water system, within six month of the effective date of the decision in this case.

WUGB operates four separate water systems: SunValley/Sweetwater I (PWS # 07-195), Sweetwater II (PWS # 07-129), Bulfer/Primrose (PWS # 07-114), and Sonoran Ridge (PWS # 07-732). The water systems are located approximately 3 to 8 miles from VWC's water system. Below is the plant description for each of the four WUGB's water systems:

- SunValley/Sweetwater I water system has one well producing 300 GPM, a 120,000 gallon storage tank, and a distribution system serving approximately 378 customers. The water system has fire hydrants. Staff concludes the water system has adequate well production capacity, but inadequate storage capacity to serve the existing customer base. WUGB has acknowledged this inadequacy and is proposing to add another well with estimated additional production capacity of 300 GPM and related infrastructure by October 31, 2007. If these production improvements are installed, the total anticipated production capacity of 600 GPM and storage capacity of 120,000 gallons should adequately serve approximately 800 customers (governed by storage capacity). The Company anticipates over 680 customers to be served by this water system in the next five years¹.
- Sweetwater II water system has one well producing 40 GPM, four storage tanks with a total storage capacity of 44,000 and a distribution system serving approximately 93 customers. The water system has fire hydrants. Staff concludes the water system has inadequate production and storage capacities to serve the existing customer base. In response to the production deficiency issue, WUGB has indicated that this water system

¹ Based on the Company's responses of July 30, 2007 in Docket No. 06-0792.

has an emergency connection to the City of Goodyear water system. Upon completion of the permanent interconnect infrastructure, the City of Goodyear will provide additional production capacity of 15 GPM to the existing capacity of 40 GPM. In order to resolve storage deficiency, Staff recommends an additional minimum storage capacity of 16,000 gallons. If these production and storage improvements are installed, the production capacity of 55 GPM and storage capacity of 60,000 gallons should adequately serve approximately 100 service connections (governed by storage capacity).

- Bulfer/Primrose water system has one well producing 40 GPM, a 140,000 gallon storage tank, and a distribution system serving approximately 88 customers. The water system has fire hydrants. Staff concludes the water system has adequate well production and storage capacities to serve the existing customer base and a reasonable level of growth.
- Sonoran Ridge water system has one well producing 150 GPM, a 200,000 gallon storage tank, and a distribution system serving approximately 58 customers. The water system has fire hydrants. Staff concludes the water system has adequate well production and storage capacities to serve the existing customer base and a reasonable level of growth.

Staff recommends that VWC file with Docket Control, as a compliance item in this docket, copies of the AOC issued by MCESD for the addition of a storage tank with a minimum capacity of 16,000 gallons to the Sweetwater II water system, within six months of the effective date of the decision in this case.

Staff also recommends that VWC file with Docket Control, as a compliance item in this docket, copies of the AOC issued by MCESD for the addition of a well or wells with a minimum capacity of 300 GPM to the Sun Valley/Sweetwater I water system, within six months of the effective date of the decision in this case.

Staff further recommends that VWC be required to file with Docket Control, as a compliance item in this docket, copies of all documentation transferring ownership of WUGB's assets to VWC, within 90 days of the decision in this matter.

The Transaction

VWC and WUGB provide water service to approximately 3,890 customers and 617 customers, respectively, in and around the Town of Buckeye, Maricopa County, Arizona. By this joint application, the Companies are seeking Commission authority to transfer the assets and CC&N of WUGB to VWC. VWC's CC&N area is approximately 7,480 acres, while WUGB's CC&N area is approximately 4,273 acres. The distance between the VWC and WUGB's CC&N areas ranges from approximately 3 to 8 miles. A majority of VWC's CC&N area is within the Town of Buckeye's boundaries, whereas, a minor portion of WUGB is within the Town of Buckeye's boundaries.

According to the application, all customer security deposits will be transferred to the Transferee; and refunds due on Main Extension Agreements or on meter and line installations will be assumed by the Transferee.

VWC and WUGB have common ownership interests, the same office address, main phone number, On-Site Manager, and Certified Operator. Staff understands that the proposed transfer of assets and CC&N from WUGB to VWC will not result in any change in the management or operation of the water system. Certified operator personnel will not change as a result of the transfer. Basically, the transfer would result in VWC having two divisions.

The Town of Buckeye ("Town") is in the process of condemning the WUGB's water system and assets. According to the Town's Special Council Meeting Agenda of January 11, 2007, the Town made a pre-condemnation offer to WUGB, on June 30, 2006, to acquire the water system and assets for \$2,000,000. WUGB did not accept the Town's offer and on July 21, 2006, an action of eminent domain was filed in the Maricopa County Superior Court No. CV2006-010954, to condemn the water system and assets of WUGB so that they may be operated by the Town as part of the Town's municipal water system while the final price to be paid for the acquisition is either settled or determined, if necessary, by a trial. The condemnation proceeding is ongoing. Staff recommends that VWC be required to file with Docket Control, as a compliance item in this docket, a quarterly status report on the condemnation proceeding. The status report shall be filed within 30 days after the end of each calendar quarter and shall remain in place until further Order of the Commission.

Arizona Department of Environmental Quality ("ADEQ") Compliance

ADEQ or its formally delegated agent, the Maricopa County Environmental Services Department ("MCESD") monitors for compliance. MCESD has determined that out of the five (5) existing water systems, four (4) systems (Valencia, Sun Valley/Sweetwater I, Bulfer/Primrose, and Sonoran Ridge) are in compliance and currently delivering water that meets water quality standards required by Arizona Administrative Code, Title 18, and Chapter 4. MCESD has determined that the Sweetwater II water system is in Substantial Compliance.

Staff recommends that VWC file with Docket Control, as a compliance item in this docket, a copy of the MCESD Compliance Status Report showing that the Sweetwater II water system is in full compliance and delivering water that meets water quality standards required by Arizona Administrative Code, Title 18, within six months of the effective date of the decision in this case.

Arizona Department of Water Resources ("ADWR") Compliance

VWC and WUGB are located within the Phoenix Active Management Area ("AMA"), as designated by ADWR. ADWR has indicated that the Companies are in compliance with the Phoenix AMA reporting and conservation requirements.²

ACC Compliance

According to the Utilities Division Compliance Section, VWC and WUGB have no outstanding ACC compliance issues.³

Arsenic and Other Water Quality Issues

The U.S. Environmental Protection Agency ("EPA") has reduced the arsenic maximum contaminant level ("MCL") in drinking water from 50 micrograms per liter ("µg/l") or parts per billion ("ppb") to 10 µg/l.

The Sweetwater II water system's arsenic and nitrate concentrations exceed 10 ppb. Presently, the system is effectively a consecutive system, serving water from City of Goodyear water system through an emergency connection. To address water quality deficiencies, WUGB is constructing a permanent interconnection with the City of Goodyear distribution system and a blending system with estimated completion prior to the end of 2007.

Sonoran Ridge water system's arsenic level is above 10 ppb. As a result, WUGB is planning to install an arsenic treatment system at the well site with estimated completion prior to the end of 2007.

VWC indicated that it maintains three existing sites with five wells and is in the process of adding three new sites with three wells. Each site produces water quality with an arsenic level above 10 ppb. As a result, VWC is installing six arsenic treatment systems (one at each site) with estimated completion prior to the end of 2007.

VWC and WUGB have not yet obtained AOCs issued by MCESD for the interconnect/blending infrastructure for Sweetwater II and the arsenic systems for Sonoran Ridge and VWC. Therefore, Staff recommends that VWC file with Docket Control, as a compliance item in this docket, copies of the AOC issued by MCESD for the interconnect/blending infrastructure for the Sweetwater II water system, within six months of the effective date of the decision in this case. Staff further recommends that VWC file with Docket Control, as a compliance item in this docket, copies of the AOC issued by MCESD for the arsenic treatment systems for Sonoran Ridge and VWC water systems, within six months of the effective date of the decision in this case.

² Per ADWR Compliance status check on April 25, 2007

³ Per ACC Compliance status check dated April 17, 2007

Curtailment Plan Tariff

VWC and WUGB have an approved curtailment tariff that became effective on January 26, 2005.

Proposed Rates

VWC will provide water service to the transfer area under WUGB's authorized rates and charges.

Franchise

Every applicant for a CC&N and/or CC&N extension is required to submit to the Commission evidence showing that the applicant has received the required consent, franchise or permit from the proper authority. If the applicant operates in an unincorporated area, the company has to obtain the franchise from the County. If the applicant operates in an incorporated area of the County, the applicant has to obtain the franchise from the City/Town.

Staff recommends that VWC be required to file with Docket Control, as a compliance item in this docket, copies of the approval from Maricopa County and the Town of Buckeye to transfer WUGB's franchise to VWC, within 365 days of the decision in this matter.

Recommendations

Staff recommends the Commission approve the joint application of VWC and WUGB for the transfer of assets and CC&N of WUGB to VWC, subject to compliance with the following condition:

1. To require VWC to charge WUGB's authorized rates and charges in the transfer area.
2. To require VWC to file with Docket Control, as a compliance item in this docket, copies of all documentation transferring ownership of WUGB's assets to VWC, within 90 days of the decision in this matter.
3. To require VWC to file with Docket Control, copies of the approval from Maricopa County and the Town of Buckeye to transfer WUGB's franchise to VWC, within 365 days of the decision in this matter.
4. To require VWC to file with Docket Control, as a compliance item in this docket, copies of the AOC issued by MCESD for the addition of three wells with a total minimum production capacity of 1,200 GPM to VWC's water system, within six months of the effective date of the decision in this case.

5. To require VWC to file with Docket Control, as a compliance item in this docket, copies of the AOC issued by MCESD for the addition of a well or wells with a minimum capacity of 300 GPM to the Sun Valley/Sweetwater I water system, within six months of the effective date of the decision in this case.
6. To require VWC to file with Docket Control, as a compliance item in this docket, copies of the AOC issued by MCESD for the addition of a storage tank with a minimum capacity of 16,000 gallons to the Sweetwater II water system, within six months of the effective date of the decision in this case.
7. To require VWC to file with Docket Control, as a compliance item in this docket, copies of the AOC issued by MCESD for the interconnect/blending infrastructure for the Sweetwater II water system, within six months of the effective date of the decision in this case.
8. To require VWC to file with Docket Control, as a compliance item in this docket, copies of the AOC issued by MCESD for the arsenic treatment systems for Sonoran Ridge and VWC water systems, within six months of the effective date of the decision in this case.
9. To require VWC to file with Docket Control, as a compliance item in this docket, a copy of the MCESD Compliance Status Report showing that the Sweetwater II water system is in full compliance and delivering water that meets water quality standards required by Arizona Administrative Code, Title 18, within six months of the effective date of the decision in this case.
10. To require VWC to file with Docket Control, as a compliance item in this docket, a quarterly status report on the Town of Buckeye condemnation proceeding. The status report shall be filed within 30 days after the end of each calendar quarter and shall remain in place until further Order of the Commission.

Staff further recommends that the Commission's Decision granting the approval of the transfer of Assets and CC&N of WUGB to VWC be considered null and void, after due process, should VWC fail to meet Conditions No. 2, 3, 4, 5, 6, 7, 8, and 9 listed above within the time specified.

MEMORANDUM

DATE: August 23, 2007

TO: Blessing Chukwu
Executive Consultant III

FROM: Katrin Stukov *KS*
Utilities Engineer

RE: VALENCIA WATER CO. & WATER UTILITY OF GREATER BUCKEYE
DOCKET NOS. W- 01212A-06-0666 & W-02451A-06-0666

Introduction

Valencia Water Company, Inc. ("Valencia" or "Company") and Water Utility of Greater Buckeye ("WUGB" or "Company") (collectively, the "Companies" or the "Applicants") have applied to transfer WUGB's assets, including its Certificate of Convenience and Necessity ("CC&N") to Valencia. The Applicants indicated that WUGB's CC&N contains 4,273 acres and Valencia contains 7,480 acres. The present service areas of the two Companies are not contiguous. The combined total area will be 11,753 acres consisting of separate parcels in and around the Town of Buckeye in Maricopa County.

Existing Utility Plant

WUGB currently operates four (4) separate water systems and serves over 600 customers. Valencia currently operates one (1) water system and serves over 3,880 customers. According to the Companies, there are no plans to interconnect the WUGB and Valencia water systems at this time.

The Table I below lists specific information about each system:

Table I¹

Company Name	WUGB				VALENCIA
System Name	Sun Valley/ Sweetwater 1	Sweetwater II	Bulfer / Primrose	Sonoran Ridge	Valencia
PWS ID#	07-195	07-129	07-114	07-732	07-078
# of wells	1	1	1	1	5
Total production (gallons per minute- "GPM")	300	40	40	150	1,180
# of storage tank	1	4	1	1	10
Total storage capacity (gallons)	120,000	44,000	140,000	200,000	2,105,000
Existing # of customers	378	93	88	58	3,890
Does system provides fire flow?	Yes	Yes	Yes	Yes	Yes
Is a storage capacity adequate	No	No	Yes	Yes	Yes
Is a production capacity adequate?	Yes	No	Yes	Yes	No
MCESD Compliance Status Date	Compliant 2/7/07	Substantial Compliance 4/19/07	Compliant 6/18/07	Compliant 2/5/07	Compliant 2/14/07
Does arsenic level exceed standards?	No	Yes	No	Yes	Yes

¹ The information presented in the following Table I was based on submitted Water Use Data, Water System Data, Responses to Data Requests and Maricopa County Environmental Services Department's ('MCESD') Compliance Status Reports.

Capacity Conclusion and Recommendation

Based on the Companies' 2005 Annual Reports, WUGB and Valencia water systems have fire hydrants. Therefore, Staff's Capacity Analysis includes fire flows requirements.

Based on the Capacity Analysis, Staff concludes that out of five water systems, three of those systems have the following capacity deficiencies:

a) Sun Valley / Sweetwater I

Based on the existing source production, storage capacity and water use data, the system's storage capacity is inadequate to serve the current customer base of 378 service connections. The Company has acknowledged this inadequacy and is proposing to add another well with estimated additional production capacity of 300 GPM and related infrastructure by October 31, 2007. If these production improvements are installed, the total anticipated production capacity of 600 GPM and storage capacity of 120,000 gallons should adequately serve approximately 800 customers (governed by storage capacity). The Company anticipates over 680 customers to be served by this water system in the next five years².

b) Sweetwater II

Based on the existing source production, storage capacity and water use data, both the production and storage capacities for this system are inadequate to serve the current customer base of 93 service connections. In response to the production deficiency issue, the Company has indicated that this system has an emergency connection to the City of Goodyear water system. Upon completion of the permanent interconnect infrastructure, the City of Goodyear will provide additional production capacity of 15 GPM to the existing capacity of 40 GPM. In order to resolve storage deficiency, Staff recommends an additional minimum storage capacity of 16,000 gallons. If these production and storage improvements are installed, the production capacity of 55 GPM and storage capacity of 60,000 gallons should adequately serve approximately 100 service connections (governed by storage capacity).

c) Valencia

Based on the existing source production, storage capacities and water use data, the system can currently adequately serve approximately 2,760 service connections (governed by production capacity). The existing production capacity of 1,180 GPM is inadequate to serve the current customer base of 3,890 service connections. The Company has acknowledged this inadequacy and is proposing to add three (3) new wells with estimated additional production capacity of 1,200 GPM. The anticipated total production capacity of 2,380 GPM should adequately serve approximately 5,570 service connections (governed by production capacity).

² Based on the Company's responses of July 30, 2007 in Docket No. 06-0792.

Arizona Department of Environmental Quality ("ADEQ") Compliance

Compliance Status

ADEQ or its formally delegated agent, the Maricopa County Environmental Services Department ("MCESD") monitors for compliance. MCESD has determined that out of five (5) existing water systems, four (4) systems (Valencia, Sun Valley/ Sweetwater I, Bulfer/Primrose and Sonoran Ridge) are in compliance and currently delivering water that meets water quality standards required by Arizona Administrative Code, Title 18, and Chapter 4. MCESD has determined that Sweetwater II water system is in Substantial Compliance.

Water quality issues

a) Sweetwater II

According to the MCESD's Compliance Status Report, the Sweetwater II water system's well produces water quality with an arsenic level above 10 ppb and the nitrate level above 10 ppb. Presently, the system is effectively a consecutive system, serving water from the City of Goodyear water system through an emergency connection. To address water quality deficiencies, the Company is constructing a permanent interconnection with the City of Goodyear distribution system and a blending system with estimated completion prior to the end of 2007.

b) Sonoran Ridge

The Company indicated that the Sonoran Ridge well produces water quality with an arsenic level above 10 ppb. As a result, the Company is planning to install an arsenic treatment system at the well site with estimated completion prior to the end of 2007.

c) Valencia

The Company indicated that it maintains three (3) existing sites with five wells and adding three (3) new sites with three wells. Each site produces water quality with an arsenic level above 10 ppb. As a result, the Company is installing six (6) arsenic treatment systems (one at each site) with estimated completion prior to the end of 2007.

Approval of Construction ("AOC")

The Companies have not yet obtained AOCs for the interconnect/blending infrastructure for the Sweetwater II and the arsenic systems for the Sonoran Ridge and Valencia from MCESD.

Arizona Department of Water Resources ("ADWR") Compliance

The Companies are located within the Phoenix Active Management Area ("AMA"), as designated by ADWR. ADWR has indicated that the Companies are in compliance with the Phoenix AMA reporting and conservation requirements.³

Arizona Corporation Commission ("ACC") Compliance

A check with the Utilities Division Compliance Section showed no outstanding compliance issues for Valencia or for WUGB.⁴ Both Companies have approved Curtailment Tariffs and Backflow Prevention Tariffs.

Summary

Conclusions

1. MCESD has determined that out of five (5) existing water systems, four (4) systems (Valencia, Sun Valley/ Sweetwater I, Bulfer/Primrose and Sonoran Ridge) are in compliance and currently delivering water that meets water quality standards required by Arizona Administrative Code, Title 18, and Chapter 4. MCESD has determined that Sweetwater II system is in Substantial Compliance.
2. Valencia and Sonoran Ridge water systems' arsenic concentrations exceed the new 10 ppb standard, and the Sweetwater II system's arsenic and nitrate concentrations exceeds 10 ppb.
3. The Valencia water system has adequate storage capacity, but does not have adequate source production capacity to serve the current customer base.
4. The Sun Valley/Sweetwater I system has adequate source production capacity, but does not have adequate storage capacity to serve the current customer base.
5. The Sweetwater II system does not have adequate production and storage capacity to serve the current customer base.
6. The Sonoran Ridge and the Bulfer/Primrose systems have adequate source production capacity and storage capacity to serve the current customer base and a reasonable level of growth.
7. ADWR has indicated that the Companies are in compliance with the Phoenix AMA reporting and conservation requirements.

³ Per ADWR Compliance status check on April 25, 2007

⁴ Per ACC Compliance status check dated April 17, 2007.

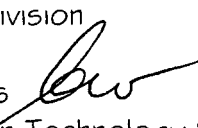
8. A check with Utilities Division Compliance Section showed that there are currently no delinquencies for Valencia or for WUGB. The Companies have an approved Curtailment Tariff and Backflow Prevention Tariff.


Recommendations

1. Staff recommends that the Companies file with Docket Control, as a compliance item in this docket, a copy of the MCESD Compliance Status Report showing that Sweetwater II water system is in full compliance and delivering water that meets water quality standards required by Arizona Administrative Code, Title 18 within six months of the effective date of the decision in this case.
2. Staff recommends that the Companies file with Docket Control, as a compliance item in this docket, copies of the Approval of Construction issued by MCESD for the interconnect/blending infrastructure for Sweetwater II water system within six months of the effective date of the decision in this case.
3. Staff recommends that the Companies file with Docket Control, as a compliance item in this docket, copies of the Approval of Construction issued by MCESD for the addition of a storage tank with a minimum capacity of 16,000 gallons to the Sweetwater II water system within six months of the effective date of the decision in this case.
4. Staff recommends that the Companies file with Docket Control, as a compliance item in this docket, copies of the Approval of Construction issued by MCESD for arsenic treatment systems for Sonoran Ridge and Valencia water systems within six months of the effective date of the decision in this case.
5. Staff recommends that the Companies file with Docket Control, as a compliance item in this docket, copies of the Approval of Construction issued by MCESD for the addition of three wells with a total minimum production capacity of 1200 GPM to the Valencia water system within six months of the effective date of the decision in this case.
6. Staff recommends that the Companies file with Docket Control, as a compliance item in this docket, copies of the Approval of Construction issued by MCESD for the addition of a well or wells with a minimum capacity of 300,000 GPM to the Sun Valley/Sweetwater I water system within six months of the effective date of the decision in this case.

MEMORANDUM

TO: Blessing Chukwu
Executive Consultant III
Utilities Division

FROM: Barb Wells 
Information Technology Specialist
Utilities Division

THRU: Del Smith 
Engineering Supervisor
Utilities Division

DATE: November 8, 2006

RE: **WATER UTILITY OF GREATER BUCKEYE, INC. (DOCKET NO. W-02451A-06-0666)**
VALENCIA WATER COMPANY, INC. (DOCKET NO. W-01212A-06-0666)

Water Utility of Greater Buckeye has filed an application to transfer its CC#N to Valencia.

Attached are copies of the maps for your files.

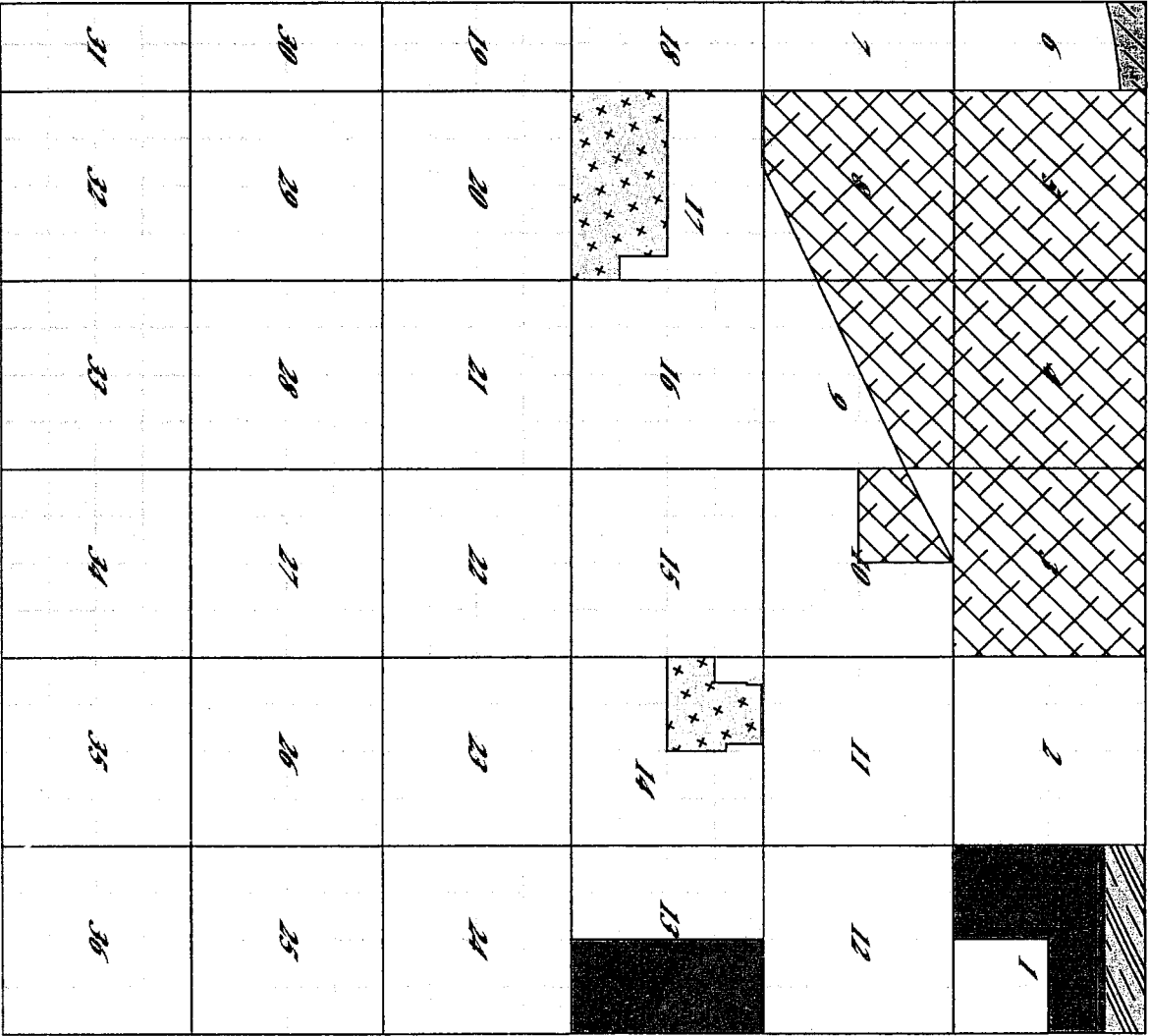
:bsw

Attachment














cc: Mr. Graham Symmonds
Ms. Deb Person (Hand Carried)
File

GOODYEAR, Maricopa

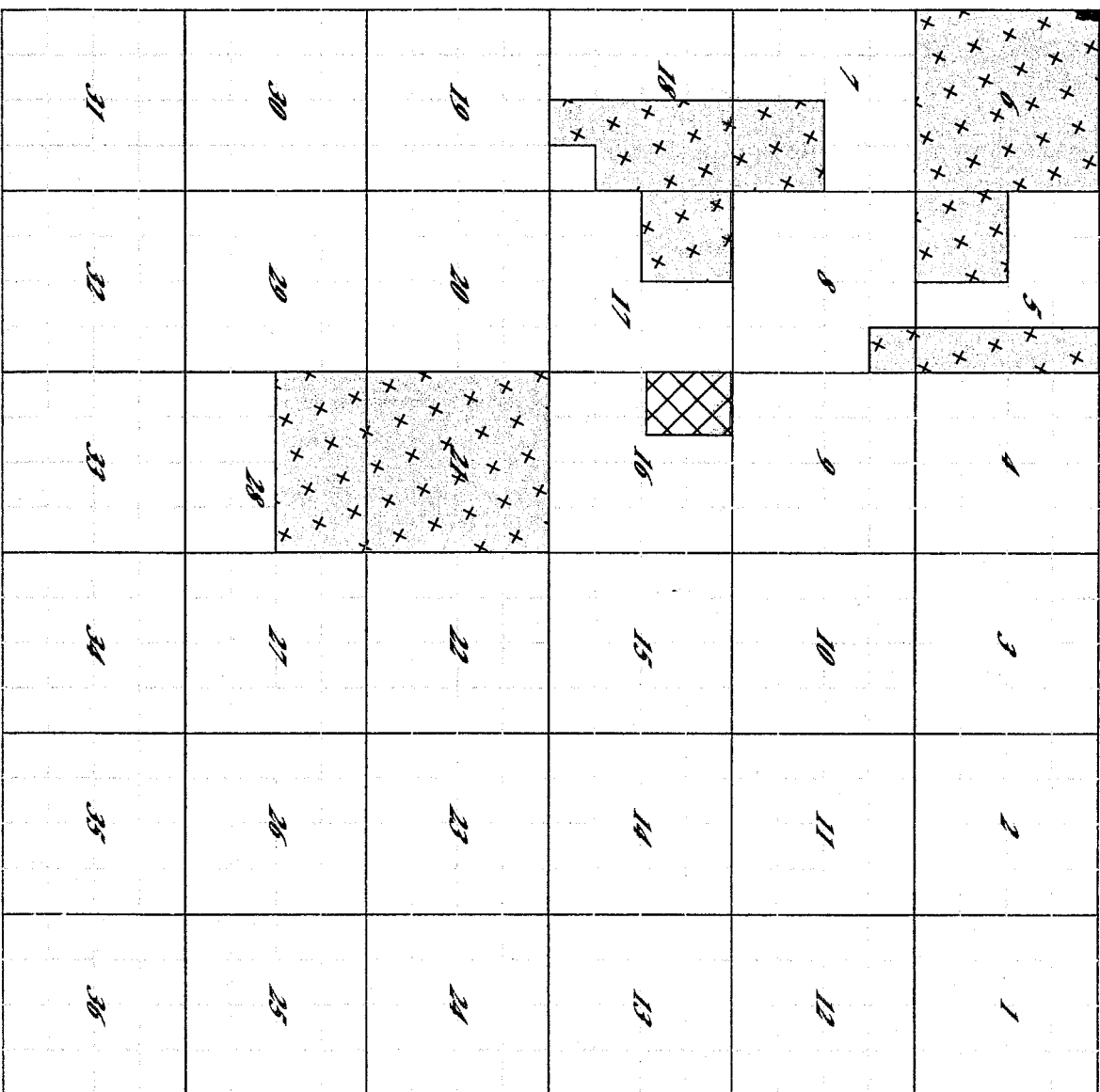
RANGE 2 West



TOWNSHIP 1 North

-  WS-1303 (14)  Sewer
-  Arizona-American Water Company (Agua Fria)
-  W-1445 (3)
-  Arizona Water Company (White Tanks)
-  W-1427 (4)
-  Litchfield Park Service Company
-  Sewer SW-1428 (4)
-  Litchfield Park Service Company
-  W-2451 (5)
-  Water Utility of Greater Buckeye, Inc.
-  City of Goodyear (Nonjurisdictional) C-0006 (2)
-  Water Utility of Greater Buckeye, Inc. Docket No. W-02451A-06-0666 Application to Transfer to Valencia Water Company Docket No. W-01212A-06-0666

RANGE 4 West



TOWNSHIP

North I

W-2077 (1)

Allenville Water Company, Inc.

W-2451 (5)

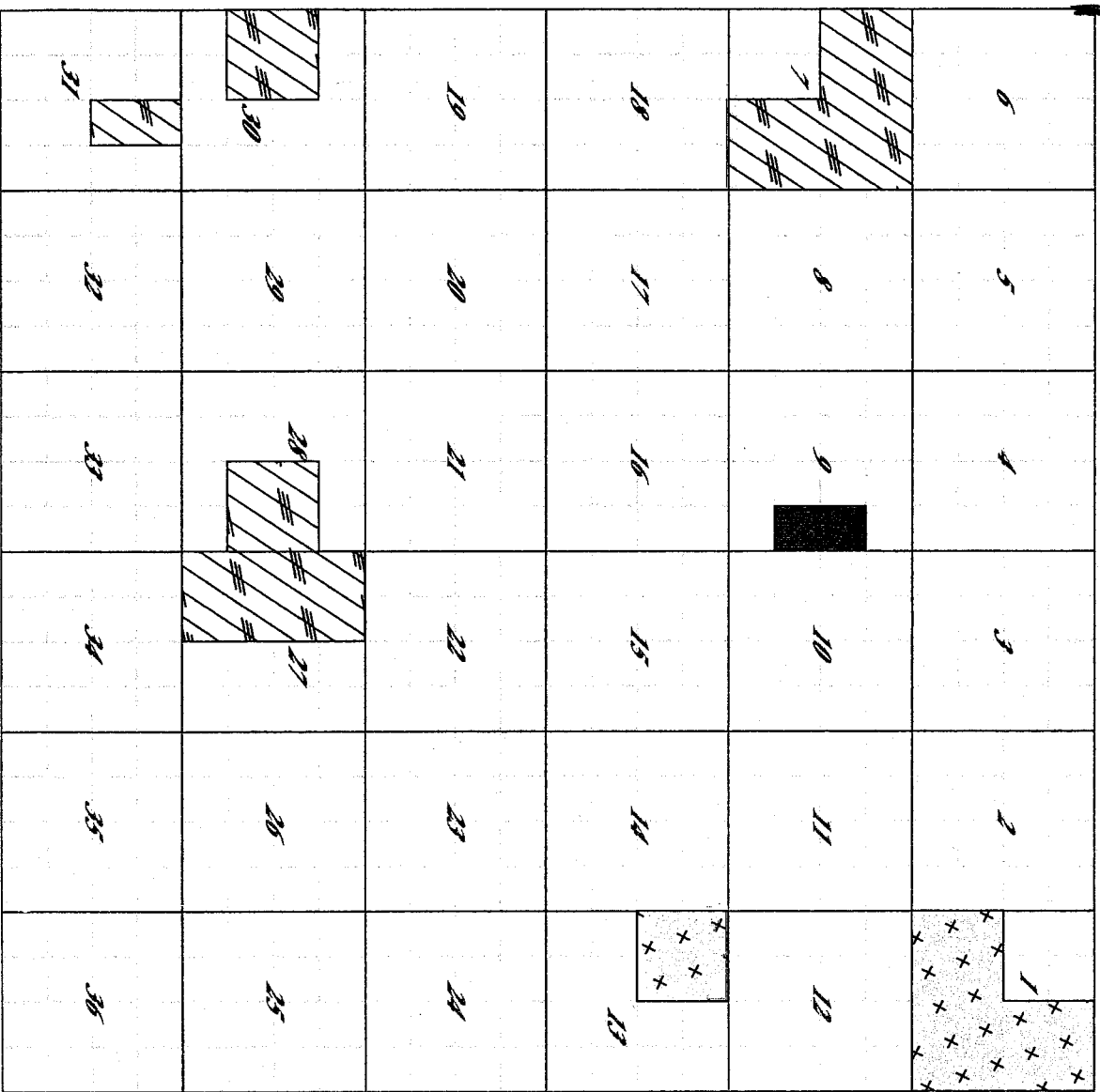
Water Utility of Greater Buckeye, Inc.

[illegible]

**Water Utility of Greater Buckeye, Inc.
Docket No. W-02451A-06-0666
Application to Transfer to
Valencia Water Company
Docket No. W-01212A-06-0666**

COUNTY: Maricopa

RANGE 5 West



TOWNSHIP 1 North



W-2451 (5)

Water Utility of Greater Buckeye, Inc.

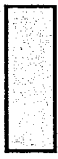


W-2450 (11)

Water Utility of Greater Tonopah, Inc.
(Sunshine)



Hassayampa Water Co-op
Adjudicated 'Not a Public Service Corporation'



Water Utility of Greater Buckeye, Inc.
Docket No. W-02451A-06-0666
Application to Transfer to
Valencia Water Company
Docket No. W-01212A-06-0666

COUNTY: Maricopa

RANGE 4 West

6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

TOWNSHIP 2 North



W-2451 (5)

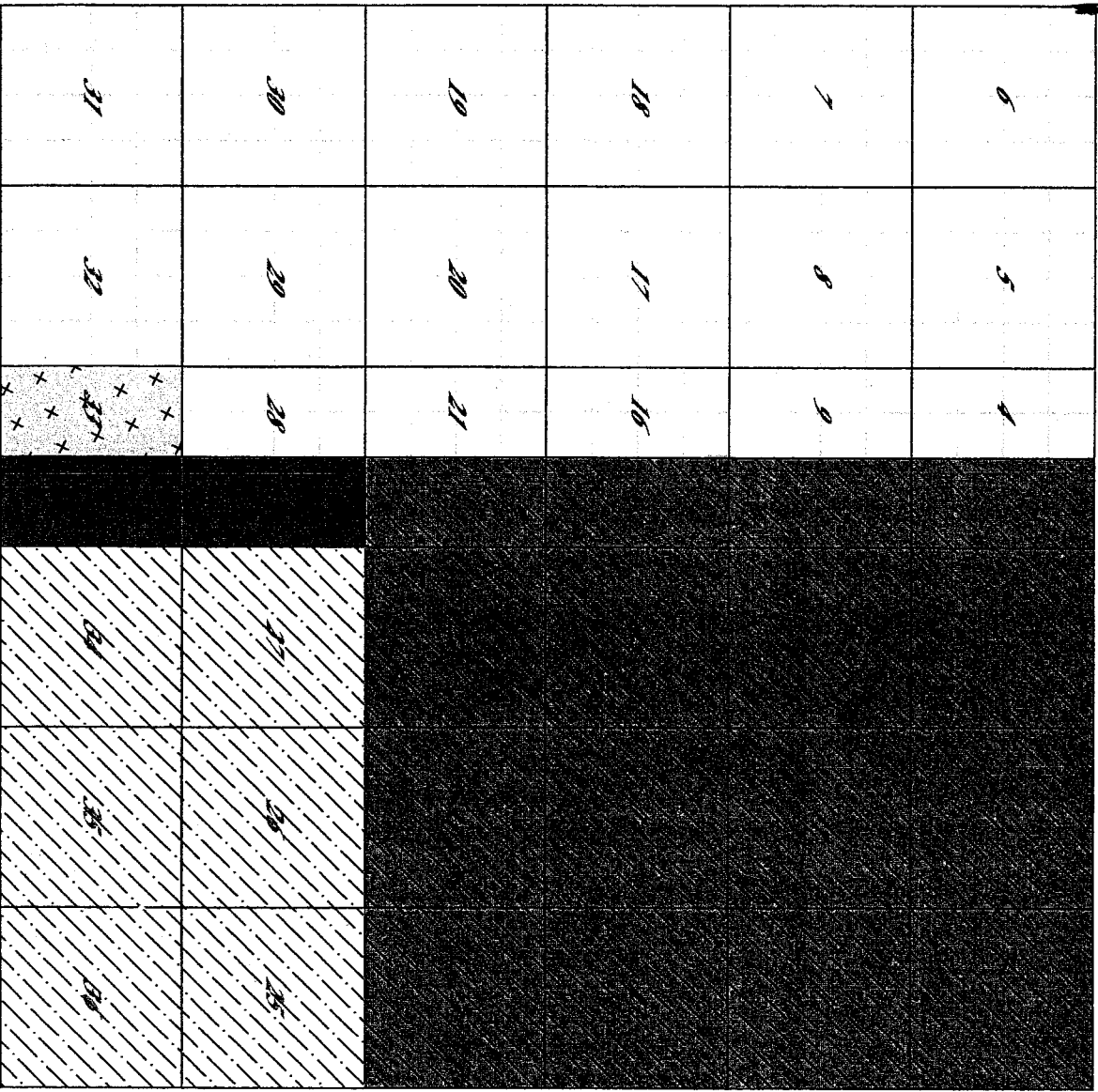
Water Utility of Greater Buckeye, Inc.



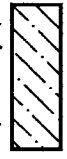
Water Utility of Greater Buckeye, Inc.
Docket No. W-02451A-06-0666
Application to Transfer to
Valencia Water Company
Docket No. W-01212A-06-0666

COUNTY: Maricopa

RANGE 2 West

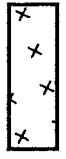


TOWNSHIP 3 North



WS-1303 (14)

Arizona-American Water Company (Agua Fria)



W-2451 (5)

Water Utility of Greater Buckeye, Inc.



Surge

(4)

City of Surprise (Nonjurisdictional)

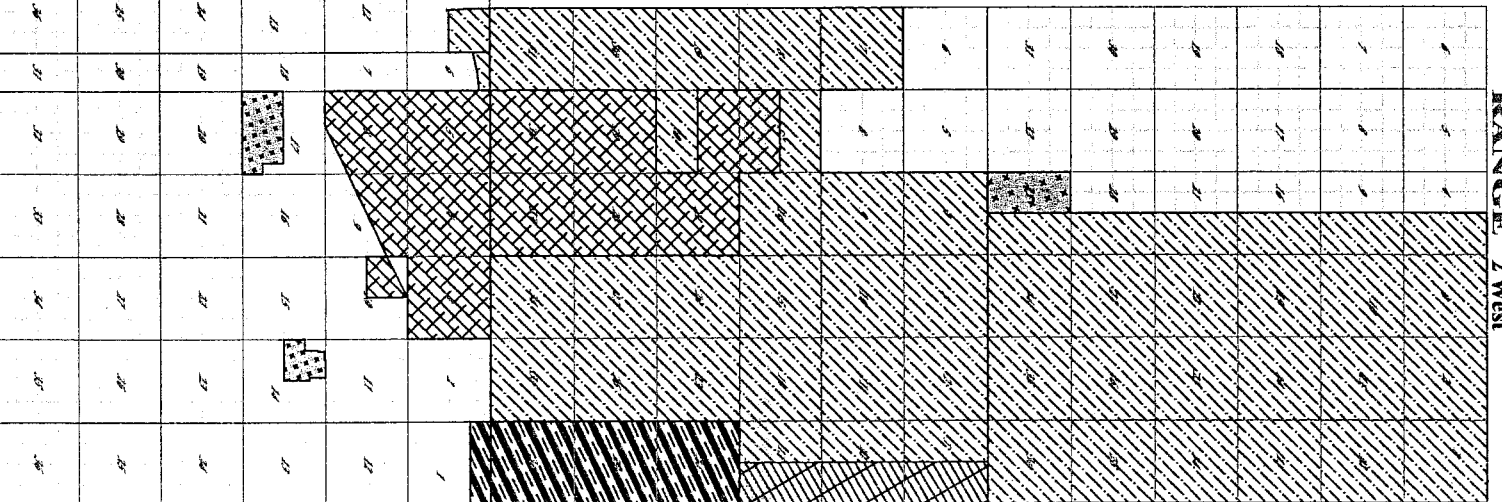


Litchfield Park Service Company
Docket No. SW-01428A-05-0022
Application for Extension for Sewer



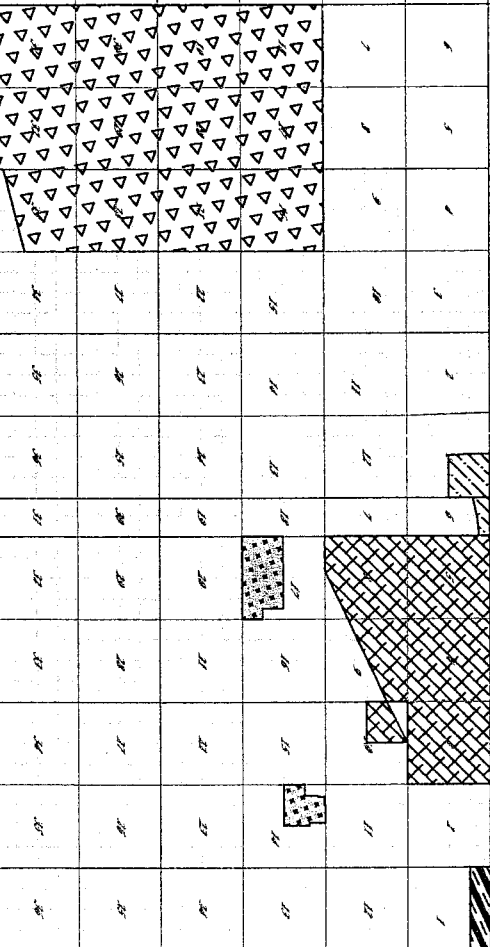
Water Utility of Greater Buckeye, Inc.
Docket No. W-02451A-06-0666
Application to Transfer to
Valencia Water Company
Docket No. W-01212A-06-0666

RANGE 2 West

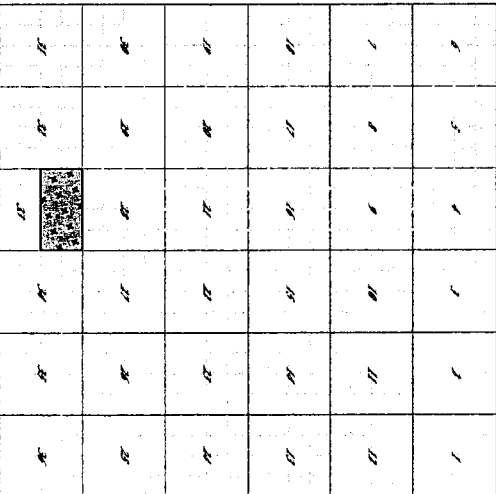


MARICOPA COUNTY

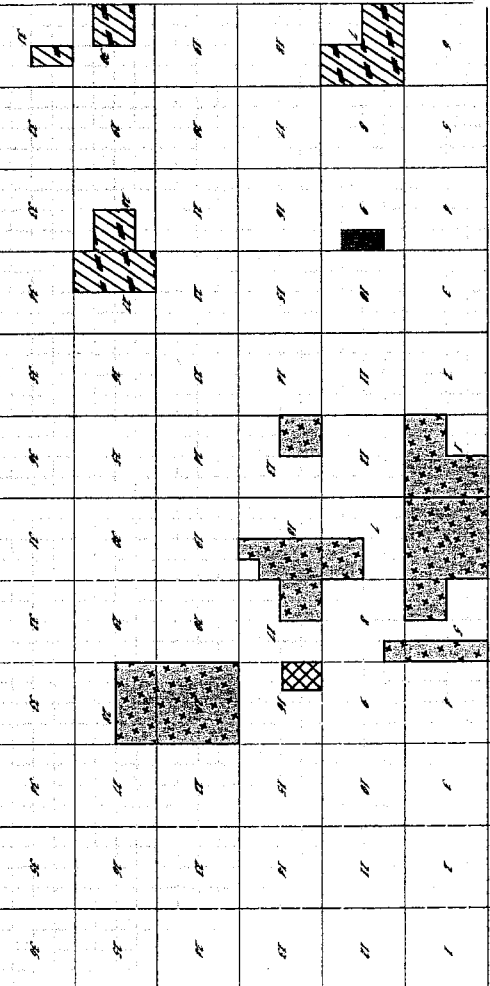
RANGE 3 West



RANGE 4 West



RANGE 5 West



W-1997

Ademan Mutual Water Company

W-2077

Allenville Water Company, Inc.

WS-1303

Arizona-American Water Company (Agua Fria)

W-1445

Arizona Water Company

Nonjurisdictional

Havasampa Water Co-op

W-1427

Litchfield Park Service Company

W-1212

Valencia Water Company

W-2451

Water Utility of Greater Buckeye, Inc.

W-2450

Water Utility of Greater Tonopah, Inc.



Water Utility of Greater Buckeye, Inc.

Docket No. W-02451A-06-0666

Application to Transfer to

Valencia Water Company

Docket No. W-01212A-06-0666